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# ***Daily Report***

## **China**

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# Daily Report

## China

FBIS-CHI-94-177

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**General**

**Spokesman Hails OCA Withdrawal of Li's Asiad Invitation**

*OW1309062994 Tokyo KYODO in English 0615 GMT 13 Sep 94*

[Text] Beijing, Sept. 13 KYODO—China on Tuesday [13 September] welcomed a statement made by the Olympic Council of Asia (OCA) that no "political figure" will be invited to the upcoming 12th Asian Games in Hiroshima, Japan.

"We believe the decision made by the OCA is a wise one," a Foreign Ministry spokesman said.

"The Constitution of the OCA says the Organizing Committee should not accept or formally recognize any foreign diplomatic delegations bearing any kind of mission. We believe this regulation of the charter of the OCA should be strictly respected," he said.

The spokesman was responding to a statement issued by OCA President Ahmad al-Fahd on Monday, which will effectively prevent President Li Teng-hui of Taiwan from attending the Hiroshima Asian Games beginning Oct. 2.

Li was previously invited by the OCA to attend the games, causing an uproar from China which considers Taiwan to be an inalienable part of the mainland.

Meanwhile, informed sources in Tokyo said Monday evening that the Japanese Government planned to allow three Taiwan officials, including Vice Premier Hsu Li-te and Education Minister Kuo Wei-fan, to attend the games' opening ceremonies.

Japan has maintained a "one-China" policy since it reestablished diplomatic ties with Beijing and severed official links with Taiwan in 1972, limiting contacts with Taiwan to nongovernmental economic and private-sector exchanges.

**China's Peng Peiyun Addresses ICPD**

*OW1009170394 Beijing XINHUA in English 1448 GMT 10 Sep 94*

["Roundup" by Kang Xingping: "Heated Debates Dominate ICPD in Cairo"]

[Text] Cairo, September 10 (XINHUA)—Heated debates have dominated the meetings of the ongoing international conference on population and development (ICPD), which opened here on September 5.

About 15,000 people from 182 countries and regions across the world have converged here to attend the ICPD, which will produce at the end of the conference a document, called program of action, setting guidelines for the next 20 years for slowing the population growth and promoting world-wide development.

Although an agreement was reached early in consensus on 90 percent of the clauses laid out for the program of action, the participants were locked in fierce debates for four days running on controversial issues, which include abortion, family planning, reproductive regulation, sexual rights, adolescent sexuality, sex education and contraception.

Abortion, which was the focus of the debates on September 6-9, has drawn the most heated arguments from the Vatican and some Islamic countries. Opposite views fiercely clashed at the ICPD forum.

A small group of Latin American and European nations where the Catholic Church is the dominant religion, led by the Vatican, opposed parts of the language used in the draft program of action on grounds that they were pro-abortion.

Taking advantage of the ICPD forum, the Vatican and its followers launched an anti-abortion campaign which has drawn wide attention.

The Vatican's stance created a tension on Tuesday's [6 September] committee session. When the chairman asked for consensus, the delegates from the Vatican rose to refuse, triggering groans and boos in the committee room.

Some Islamic countries also opposed abortion, citing religious and traditional grounds. However, compared with the Vatican, they were moderate by maintaining that abortion can be done in case the pregnant woman's life is endangered.

Opposite to the anti-abortion views, some Western countries maintained that abortion is women's rights, abortion or not is their rights and should not be interfered with.

Typical of this view was held by Norwegian Prime Minister Gro Harlem Brundtland, who spoke at the ICPD opening session Monday.

"Morality becomes hypocrisy if it means accepting mothers suffering or dying in connection with unwanted pregnancies and illegal abortions and unwanted children," she said to a standing ovation in the conference room of the main committee.

"None of us, whatever our religion, can disregard that abortions occur and that where they are illegal or heavily restricted, the life and health of the women is often at risk," she added.

In addition, some American activist groups attacked the Vatican Wednesday, accusing it of trying to impose one vision on the world through its opposition to abortion at the ICPD forum.

Frances Kissling, president of Catholics for a Free Choice, said the Vatican opposition to some clauses in the draft program of action should not be given much



weight because it rejected the 1974 and 1984 UN population conference documents.

Spokeswoman for the U.S. delegation, Mary Ellen Glynn, charged the Vatican and its followers with delaying progress on more important population issues. "We don't want this conference to be on abortion and stringing it out does just that," she said.

Joseph Speidel, president of Population Action International, said that an estimated 100,000 women die of "unsafe abortion" and an estimated 50 million abortions are actually performed every year.

"It is a very serious health issue that ought to be made safe," said Speidel, whose organization supports legalizing abortion.

However, executive director of the Mexico-based World Association for Family and Education Carlos Sanchez charged that the ICPD plan was intended "to teach women not to have children."

According to estimates, world population is growing by more than 90 million a year. If left unchecked, the present 5.7 billion population will double by 2050.

Meanwhile, some Third World countries, especially those from Africa, complained that the controversy over abortion took too much time and attention to the effect of shadowing other much more important issues such as slowing population growth, eliminating Third World poverty and enhancing development.

On Friday, the committee drafting the program of action, having undergone the heated debates for three days and a half, accepted a finely wrought compromise on abortion, as it ruled out abortion as a means of family planning.

Vatican delegate Diarmuid Martin, in his address to the committee, said that the Vatican would pronounce judgment on the paragraph on abortion when the whole program of action is approved.

He said the Vatican position constituted "a substantial but not complete identification" with the paragraph. Siding with him were delegates from Argentina, Peru, Ecuador, Costa Rica and Malta, where the Catholic Church is very powerful.

He also said the Vatican had dropped objection to "family planning", which, like other disputed issues, is bracketed throughout the text.

The decision to allow "family planning" in the program of action was viewed as a turn-around for the church at the ICPD.

Martin listed four points endorsed by the Vatican as treating unsafe abortions as a public health issue, providing good care for abortion complications, counselling for women with unwanted pregnancies and affirming that abortion is not a method of family planning.

With the abortion issue basically resolved, other divisive issues such as adolescent sexuality, contraception and the definition of family remain to be settled at the ensuing sessions of the ICPD, which is scheduled to close on September 13.

Delegates also tried to resolve the issue of immigrants' rights to be united with their families, which was supported by developing countries that have large numbers of emigrants flowing into developed ones. However, rich countries were reluctant to accept it on grounds that a universal right would undermine their efforts to control immigration.

The Chinese delegation, headed by State Councillor Peng Peiyun, participated in the ICPD.

At the opening session, Peng, who doubles as minister of the State Family Planning Commission, dwelt on China's stance toward the issue of population growth. She said that it is each country's sovereignty to map out its population policy in line with its specific conditions, which should be respected.

She said that China, in implementing population and family planning programs, has been adhering to the principle of combining government guidance and voluntariness of the people. "In this regard, we provide good service but oppose any form of forced measures," she added.

Despite the fierce debates, it is up to each country to determine whether to implement the clauses laid out in the program of action, which is not legally binding, in accordance with its specific situation such as economic development, population status quo, religious beliefs, cultural backgrounds and historical traditions.

"Each country will decide for itself which recommendations are relevant to its needs and conditions," said Nafis Sadik [name as received], general secretary of the ICPD.

"Nothing in the document can or should be interpreted as interfering in any way with a nation's sovereign right to make and carry out policy according to its own laws and moral codes," she added.

It is definite that the 113-page document, a declaration of what most governments feel on population and development issues, will be the guidelines for the next 20 years of population growth and development with a far-reaching influence to the next century.

#### **XINHUA Interviews Peng Peiyun on ICPD**

*OW1109134094 Beijing XINHUA in English 1314 GMT 11 Sep 94*

["China Works Hard for Finding Solution to the Issue of Population and Development" by Huang Jueying and Liu Shun]

[Text] Cairo, September 11 (XINHUA)—A senior Chinese official said here today that China has joined other

nations in the world in actively contributing to finding a solution to the issue of population and development.

Peng Peiyun, Chinese state councillor and minister in charge of the State Family Planning Commission, stressed that this issue is the most urgent one facing the whole world, particularly the third world.

Peng, who is leading a Chinese delegation to the third international Conference on Population and Development (ICPD) being held in Cairo, made these remarks during an interview with XINHUA.

The Chinese minister pointed out that the population and development issue is an extensive topic that includes economic development, the eradication of poverty, the generalization of education, the elevation of women's status and the development of human resources, so each state should draft its policies and objectives independently and in accordance with its own circumstances.

She added that choosing appropriate ways of putting these policies into practice and achieving those objectives is a sovereign right of all nations and should be respected thoroughly.

Peng said that the Chinese Government pays great attention to the population and development conference currently convened in Cairo, and that it has sent a 47-member official delegation to the conference in addition to non-governmental groups made up of more than 30 members.

She said that as head of the Chinese official delegation she delivered a speech at the opening session of the conference, in which she explained the five-point position of the Chinese Government on the population and development issue. Members of the delegation have positively contributed to introducing amendments to the draft program of action to be adopted by the conference.

The Chinese delegation also exchanged views and experience with other delegations both inside and outside the conference hall, examining points of agreement and delaying discussing minor points of disagreement, thus helping reaching consensus on major questions, Peng explained.

The Chinese minister said that non-governmental Chinese groups are also participating in the non-governmental organizations forum convened on the sidelines of the third ICPD and have held seven seminars covering such topics as population and family planning, women and AIDS, the status of women in the less-developed areas in China, reproductive hygiene and the role of country women in developing the national economy.

Regarding international cooperation in the field of population and development, Peng emphasized that self-reliance is the main way of solving the population and development problems in all countries, particularly in China which has the largest population in the world.

"At the same time," Peng continued, "we hope that international cooperation in this field will be promoted. So advanced nations have to give financial and technological assistance to developing ones. Developing nations have also to strike a balance between population growth and economic development."

Answering a question about the fourth World Conference on Women due to be convened in Beijing in September next year, Peng said that it is an important conference organized by the UN with the aim of pushing forward economic development and enhancing social advancement, and that it is expected to be attended by nearly 30,000 delegates from international organizations, as well as from governmental and non-governmental bodies in the world.

She said China attaches great importance to that conference, which will be the largest international gathering China has ever hosted in its history.

She added that China is doing its best to make the coming World Conference on Women a success, because the conference will provide a chance for the world to become acquainted with China and a chance for China to become acquainted with the world, and the Chinese Government and people welcome the participation of governmental and non-governmental delegations from across the world.

#### **DPRK, U.S. Talks on Establishing Liaison Offices End**

*OW1309061294 Beijing XINHUA in English 0544 GMT 13 Sep 94*

[Text] Pyongyang, September 13 (XINHUA)—Expert-level talks between the Democratic People's Republic of Korea (DPRK) and the United States on the establishment of liaison offices in their two capitals ended here today.

A joint press release issued after the meeting said that the two sides discussed concrete issues concerning the establishment of liaison offices.

The talks were held in "a serious and cooperative atmosphere," it said. But the full content of the talks has not yet been revealed.

The two sides will report the outcome of the talks to their respective governments.

The talks began on Saturday [10 September], in accordance with an agreement reached during the third round of high-level talks between the two countries held in mid-August in Geneva.

The U.S. State Council coordinator [title as received] Lynn J. Turk, who is in charge of DPRK affairs and was present at the talks, said at Pyongyang airport before leaving the DPRK that the two sides had "held good

talks" and the talks had been "fruitful." He and the other three U.S. experts for the talks have now left here for home.

#### **Iraq, Russia Sign 10 Billion Dollar Trade Agreement**

OW1109132194 Beijing XINHUA in English 1245  
GMT 11 Sep 94

[Text] Baghdad, September 11 (XINHUA)—Iraq and Russia have signed a 10 billion U.S. dollars agreement on trade and industrial and oil projects in Iraq to be executed by Russian firms once the United Nations economic sanctions on Baghdad are lifted.

The official Iraqi news agency reported Saturday [10 September] that the agreement, signed in Moscow Friday by Iraqi Trade Minister Mohammad Mahdi Salih and Russian Minister for Foreign Economic Relations Oleg Davydov, came at the conclusion of meetings of the bilateral joint committee for trade and economic exchange.

Speaking at the signing ceremony, Davydov said that Russia was ready to start implementing the deal immediately.

"There is nothing that bars the exchange of bilateral trade," he said.

To punish Iraq's 1990 invasion of Kuwait, the UN bans any country from implementing any trade exchange and economic cooperation with Iraq unless Baghdad meets all the terms of the UN resolutions ending the 1991 Gulf war.

Davydov said Russia was exporting some equipment to Iraq including combine harvesters to help the country improve its self-reliance capabilities, especially in the agriculture field.

Salih expressed the conviction that efforts made by the joint committee and the deal represented the first step to expand bilateral trade.

The two sides agreed to hold the coming round of the joint committee in Baghdad next year, and the Russian foreign economic relations minister has accepted an invitation by Salih to visit Baghdad at a date to be defined later.

Iraq argues that it has fully complied with the UN resolutions and demands an unconditional lifting of the four-year-old UN sanctions, which have inflicted heavy losses to Iraq's economy and great sufferings to the 18 million people.

Since the UN Security Council routine reviewing in March, France, Russia and China have demanded recognition of Iraq's progress in implementing the UN resolutions, especially in the field of destruction and monitoring of Iraq's weapons of mass destruction, but the United States and Britain refused.

While trying to win an early lifting of the sanctions at the UN Security Council, Iraq has made great efforts to develop trade and economic relations with giant companies, especially Western ones, in a bid to pressure their governments.

#### **Indo-U.S. Joint Military Exercises Begin**

OW1109063394 Beijing XINHUA in English 0601  
GMT 11 Sep 94

[Text] New Delhi, September 11 (XINHUA)—A twenty-day massive special operations exercises between India and the U.S. started Saturday [10 September] at Ratnagiri, south India, it is learnt here today.

Marine commandos of the navies of the two countries are taking part in the exercises the main part of which would be amphibious operations. Military sources said the exercises are aimed at sharing tactics and strategy in the area of fighting marine terrorism.

They said U.S. commandos have joined hands with Indian Marine Special Forces in the exercises continuing till September 29.

It is understood that the U.S. troops have brought high-tech diving equipment which bears a significance of the joint exercises.

The Indian Navy has held ship-to-ship exercises with the U.S. Navy three times in the past. This is the first time that the two navies are holding special operations exercises.

The exercises are opening the door to closer military cooperation between the two countries.

However, observers here noted that the Indo-U.S. exercises come immediately after the Americans have held exercises with the Pakistanis off the coast of Karachi.

#### **Cao Zhi Heads Chinese Delegation to 92nd IPU Congress**

OW1309051294 Beijing XINHUA in English 0301  
GMT 13 Sep 94

[Text] Copenhagen, September 12 (XINHUA)—The 92nd congress of the Inter-Parliamentary Union (IPU) opened here today with more than 500 delegates from 129 countries attending.

Margrethe II, queen of Denmark, Henning Rasmussen, president of the parliament of Denmark, and Poul Nyrup Rasmussen, Danish prime minister, attended the opening ceremony.

During the six-day congress, the delegates will mainly discuss issues such as how to strengthen international cooperation and national action to support social and economic development, the effort to combat poverty, and human rights.



A medium- and long-term investment program, proposed by the Italian delegation, to correct the deep demographic and economic imbalances in Africa, and particularly in the countries in the north of the continent, will also be discussed.

A Chinese delegation, headed by Cao Zhi, secretary-general of the Standing Committee of the National People's Congress of China, is attending the meeting.

#### **Vice Minister Meeting on Sea Pollution Opens in Seoul**

*OW1209081894 Beijing XINHUA in English 0755  
GMT 12 Sep 94*

[Text] Seoul, September 12 (XINHUA)—South Korea, China, Japan and Russia opened a three-day vice-ministers' meeting here today to discuss ways of preventing pollution of the East Sea (the Sea of Japan) and the Yellow Sea.

Sponsored by the United Nations Environment Program (UNEP), the meeting, officially named the Northwest Pacific Action Plan (NOWPAP), will formulate a four-nation action plan to protect the two seas from pollution.

The meeting will also adopt three separate resolutions for the implementation of the plan.

Specific issues will include marine life preservation, an end to the flow of land-derived pollution into the seas and prevention of ocean contamination.

The three implementation resolutions will call for giving priority to regional projects to evaluate the status of water quality, the convening of a NOWPAP meeting every other year and the settling of the financial cost-sharing issue.

#### **Judicial Departments' International Exchanges Noted**

*OW1109142694 Beijing XINHUA in English 0910  
GMT 11 Sep 94*

[XINHUA "Roundup: China's International Judicial Cooperation Active"]

[Text] Beijing, September 11 (XINHUA)—China's judicial departments have expanded their international exchanges and cooperation over the past 15 years, effectively helping improve the country's legal system and serving its economic development.

The Supreme People's Court alone has so far forged ties with and courts in more than 100 countries and regions, apart from those with international organizations. The delegations it sent overseas and foreign delegation it received totalled 230.

The Supreme People's Procuratorate has also established formal contacts with procuratorial organs and anti-corruption organizations in nearly 50 countries and regions. Over 200 groups have been sent aboard or hosted.

More than 500 delegations have been sent aboard or received by the Ministry of Justice, which has conducted exchanges and cooperation with justice and law setups in more than 60 countries and regions.

According to officials from the respective departments, the international exchanges and co-operation already conducted have been focused on exchanging experience in case trials, prosecution and judicial administration, with a view to absorbing what is useful and applicable to China.

As China expands its trade and economic cooperation with the rest of the world, it has been facing a situation of integrating its own trade system with the international pattern. The issue become more outstanding in the process of building a market economy, which also required a favorable legal environment. In the judicial field, China must also integrate its legal system with the laws and norms practiced internationally.

Hence foreign exchanges on the part of China's judicial departments aimed at knowing more about the outside world, with the goal of building a legal system in keeping with the market economic system by the end of the century.

To attain the goal, China's judicial departments have also actively involved themselves in international endeavors, including hosting the 14th World Law Conference in Beijing in 1990 and many other international symposiums and regional meetings on law and justice.

China's participation in the annual session of the UN Commission on Human Rights since 1979 and the World Conference on Human Rights held in Vienna in June last year has helped the international community better understand China's achievements in protecting and promoting human rights.

As an important part of international cooperation, China has signed bilateral or multilateral judicial assistance agreements with 18 countries and regions on joint efforts to deal with crime, civil procedures, commercial disputes and extradition.

Chinese judicial departments regard exchanges and cooperation between the mainland and Hong Kong and Macao as a special field. The cooperation aims at ensuring a smooth transfer of power and the future prosperity in the two regions.

#### **Ninth OANA General Assembly Opens in Beijing**

*OW1209064594 Beijing XINHUA in English 0550  
GMT 12 Sep 94*

[Text] Beijing, September 12 (XINHUA)—The Ninth General Assembly of the Organization of Asia-Pacific News Agencies (OANA) opened here today under the sponsorship of China's XINHUA NEWS AGENCY.

Sixty representatives from OANA's member agencies will discuss how to strengthen economic news coverage so as to better serve economic development of the Asia Pacific region.

Guo Chaoren, president of the XINHUA NEWS AGENCY, said at the opening ceremony that in recent years, with the appearance of the trend of multipolarization in the world, fierce competition is rising everywhere for each nation to boost economic and technological development in order to enhance its comprehensive national strength.

What's most conspicuous in this competition, he said, is the economic development in the Asia Pacific region, particularly the steady and rapid economic growth in Eastern Asia.

However, he said, due to various reasons countries in this region are facing unbalanced economic development and many other problems.

So it is a strong aspiration of the people in all the countries of this region to enhance understanding, promote cooperation, and learn from and help each other to realize common prosperity, he added.

To promote the economic development in all countries of the region through strengthening economic news coverage and increasing the exchange of economic information has become an "unavoidable historic issue" at the OANA conference.

Meanwhile, it is the unshirkable duty of the news agencies of all OANA countries to make full use of the advantage in their communication network in order to provide economic information, exchange the successful experience, and break up the monopoly of Western news agencies on worldwide information, Guo said.

He expressed the hope that the Ninth OANA General Assembly will make new achievements in this aspect through the common efforts of the participants.

Yasuhiko Inukai, president of OANA and president of Japan's KYOTO NEWS SERVICE, said at the opening ceremony that since the OANA's eighth general assembly in Tokyo three years ago, the political and economic developments in Asia, in particular its rapid dynamic economic growth, have drawn global attention.

Moreover, transnational media are focusing on Asia more than ever, he added.

However, he said, those worldwide agencies "have long been covering and reporting Asian news in their own eyes and in their own perception," and such a trend should not be ignored.

Inukai said the OANA has been continuing efforts aimed at developing into a more efficient cooperative organization for news agencies and has achieved success to a certain extent.

But OANA needs to fully exert its potentials so as to be capable of responding to challenges facing Asia, he added.

He said the current situation demands that Asian news media cover the development of this region in their own eyes and Asian news agencies in the region should not only exchange news but also transmit them to the world.

A special guest to the assembly, Freydoun Verdinejad, president of the ISLAMIC REPUBLIC NEWS AGENCY OF IRAN and president of the non-aligned news agencies pool, also delivered a speech at the opening ceremony.

OANA is the only organization formed by news agencies in the Asia Pacific region. Founded in 1961, OANA now has 28 member agencies from 21 countries in this region, compared with nine member agencies at the beginning.

OANA has its own communications network and has played an active role in promoting the exchange of news and the mutual understanding among peoples of Asia Pacific nations.

In addition to economic news coverage, the ninth conference will also discuss environmental protection coverage and personnel training and communication technology.

The executive board, OANA's leading body, will be reshuffled at the assembly, and a new president will be elected. Also, a secretariat will be set up at the new president's agency.

The representatives attending the assembly include some presidents, chairmen and general managers of news agencies. Representatives from several news agencies and press organizations outside the OANA attended the conference as observers or special guests.

### **Commentator Views Controlling Population To Ensure Growth**

*HK1109070694 Beijing RENMIN RIBAO in Chinese 2 Sep 94 p 7*

[Commentator's article: "Exercise Control Over Population To Ensure Sustained Growth"]

[Text] The International Conference on Population and Growth, presided over and convened by the United Nations, is scheduled to be held at Cairo from 5 to 13 September. The topics of the conference are: Population, continued economic development, and sustained growth. Following the population conferences held in Bucharest in 1974 and in Mexico in 1984, this is another grand conference on population and growth, whose significance will transcend the century. We hope the conference is a great success.

Over the past 20 years, the international community and the governments of various countries, the vast developing nations in particular, have made unremitting efforts to implement the "World Population Action Plan" adopted in 1974 and have attained conspicuous achievements. The whole globe has made marked progress in reducing birth and mortality rates and



increasing average life spans. Education in all nations, and education of women in particular, has improved somewhat. An increasing number of people have obtained information services on genital health and family planning.

However, we should also be aware that mankind is still facing serious challenges of reproduction and economic growth. The world's population is now growing by a net 90 million annually, the interval for multiplication of the population has been shortened, the number of poor people is growing, environmental pollution and other ecological problems have been further aggravated, and the contradiction between the quantitative increase in population and limited resources has become increasingly acute. All this constitutes a grave threat to mankind and the subsistence and development of later generations. The slow and unbalanced economic development arising from the sharp increase in population is an essential factor affecting world security and stability. There are flows of refugees and regional conflicts in many parts of the world today which are related, to varying degrees, to shortages of land, water, and other resources resulting from sharp population growth.

As a large developing country whose population accounts for 22 percent of the world total, China has made unremitting explorations and efforts to resolve the problem of population and development and to improve the people's living standards, attained world-acknowledged achievements and experience, and scored marked successes in curbing population growth and reducing the natural growth rate. China has gradually won the understanding and acclaim of the international community for its population policy. However, a large population base figure, rapid growth, and a relative shortage of resources constitute China's most basic national conditions. Proceeding from a high sense of responsibility to the Chinese nation and the international community, the Chinese Government has regarded family planning and environmental protection as two basic national policies and has included these in its overall national economic and social development plan.

Promoting economic and social development is the foundation for resolving the population problem. Essentially speaking, the population problem is a matter of development. Only by continuously developing production can we resolve the problem of population. The formulation and implementation of a policy that keeps population growth under control will be conducive to economic and social development. It is the internal affair and sovereignty of a country to independently formulate its population policy in light of its population situation and specific national conditions, which should be respected. Upgrading the status of women and ensuring their rights are key factors in resolving the population problem. Meanwhile, strengthening and promoting international cooperation is also a necessary condition for resolving the population problem. To stabilize the

world population and maintain sustained development, we need the cooperation of the entire international community.

For the sake of the common interests of mankind, we are glad to witness the profound changes which have been effected in the understanding of all countries on population. An increasing number of nations have gained a common understanding of keeping population under control and promoting sustained development. Moreover, this common understanding has gradually become an extensive and practical action worldwide.

### United States & Canada

#### Column Labels U.S. 'Invasion' of Haiti as 'Farfetched'

HK1309083394 Hong Kong TA KUNG PAO in Chinese  
13 Sep 94 p 3

["American Hotline" column article from New York by staff reporter Chang Shao-wei (1728 1421 1218): "The Reasons for United States Sending Troops to Haiti Are Farfetched"]

[Text] New York, 12 Sep (TA KUNG PAO)—The invasion of Haiti by the U.S.-led multinational forces appears to be imminent. Large numbers of U.S. Navy vessels and ground forces are ready. Moreover, U.S. Secretary of State Christopher has once again stressed that the days of the Haitian military regime are numbered. U.S. media generally believes that the U.S. forces will invade Haiti within weeks or even days.

#### Voices of Opposition

There are indeed large numbers of people in the United States who back the U.S. armed invasion of Haiti but more people are against the move. The recent public opinion polls indicate that most of those surveyed believe that it is unnecessary to use the lives of U.S. soldiers to recapture the presidential office for Aristide. Apart from the black members of the U.S. Congress, most of the senators and members of the House do not support dispatching troops to Haiti.

Those against the invasion hold that the events in Haiti have not directly menaced U.S. state security. Even if they had, the most serious threat may lie in an increase in the number of refugees. It is not worth dealing with the issue by losing the lives of U.S. servicemen. Congress members generally hope that President Clinton will officially submit a scheme to Congress before dispatching the troops and justifiably send the troops with congressional authority. They believe that there is no military difficulty in launching an offensive against Haiti and a surprise attack is also unnecessary. Since Congress members represent popular will, the President must solicit public opinion. For this reason, 139 members of the House wrote to Clinton, putting forward the aforementioned demand.

There are many reasons for the United States not to immediately launch the signal of offensive following the green light given by the UN Security Council to the adoption of all necessary means to resume the democratic regime in Haiti. First, it is necessary to seek allies from Central and South America to form a "multinational force" because more than 10,000 troops and large numbers of U.S. navy vessels will be required to invade Haiti and get rid of the military regime there. To indicate that the move is taken by multinational forces with UN authorization, U.S. troops alone will not be sufficient. It will make the world people believe that U.S. invasion of Haiti will be the same as the one which took place earlier in the century. Hence, participation by the troops of some other countries will be required. The United States is now training the "multinational force" which numbers several hundreds. Second, tied up with domestic affairs and the Cuban refugees for some time, Clinton could not concentrate on handling of Haitian issue. When the anti-crime bill was adopted and the question of the Cuban boat people was temporarily resolved, Clinton had a breathing space and could manage to deal with the Haitian issue. Moreover, Clinton's prestige has dropped at home and abroad and his credibility has fallen to its lowest point. If the invasion of Haiti is successful and the hoped for results are achieved, it will boost Clinton's prestige and reputation and be conducive to his success in the mid-term elections to be held by the end of the year.

#### **The Official Three-Point Reason**

Noted U.S. figures say that Clinton is ready to stake the lives of U.S. soldiers on himself and the Democratic Party. They also believe that Clinton will not officially submit his scheme to Congress and will not let the public discuss the matter. He will use his office as commander-in-chief of the ground, air, and naval forces to dispatch troops to Haiti.

Both Secretary of State Christopher and U.S. Ambassador to the United Nations Madeleine Albright stressed that the United States has very important state interests in Haiti: First, Haiti and Cuba are the last two "nondemocratic nations" in the Western hemisphere. There were democratic elections in Haiti in 1992 but the democratically elected regime was driven out of office. As state interests of the United States lie in democracy, the United States is duty bound to resume the democratically elected government. Second, the Haitian military regime has violated human rights, which the United States must defend. Third, the Haitian regime has forced large numbers of refugees to travel by boat to the United States, which provided trouble for the latter. A reporter asked: Cuba has gone even further on the aforementioned three questions, which has created more troubles for the United States, but why has the United States not launched an offensive against Cuba? Is it because Cuba has a large army? Christopher evaded the question. He said that the United States had adopted a different strategy but the objective against these two countries is the same.

#### **More or Less the Same As Soviet Invasion of Czechoslovakia**

A number of people from the U.S. press circles held different views from the administration's farfetched excuses and dual standards. They said that the move by the United States is more or less the same as the Soviet invasion of Czechoslovakia in 1968, which exerted power and influence to force a small nation to follow its system and also used other countries to cover its image as an international policeman.

It is not yet clear what is the objective of the United States. According to Christopher, when the mission of reinstating the democratically elected Haitian regime is over, a multinational force of around 6,000 troops, of which half are Americans, will stay there to maintain order and help train local police. However, there is no final decision yet as to whether or not the U.S. troops can smoothly enter Haiti and when will they withdraw. Many people are worried that it will be easy to enter but difficult for them to extricate themselves. This will be a difficult question for Clinton, a president who has never performed military service, and his assistants to tackle.

#### **Jiang Zemin, Officials Convey Condolences on Adler's Death**

OW0209115694 Beijing XINHUA in English 1120  
GMT 2 Sep 94

[Text] Beijing, September 2 (XINHUA)—A memorial meeting was held here today for late Sol Adler, a noted American economist.

Adler, remembered as "an old friend of the Chinese people," died on August 4 at the age of 85. Adler had suffered diseases for a long time.

After Adler's death, Chinese leaders including President Jiang

Zemin, Chairman of the National People's Congress (NPC) Standing Committee Qiao Shi and Vice-Premier Li Lanqing conveyed their condolences on his death and sympathy to Pat Adler.

Chen Muhua, vice-chairperson of the NPC Standing Committee, and Wu Xueqian, vice-chairman of the Chinese People's [Political] Consultative Conference National Committee, were present at today's memorial meeting.

Addressing the meeting, Wu Xueqian said Adler came to China during the difficult years of the international anti-fascist war and he was concerned and sympathized with the struggle of the Chinese people led by the Communist Party of China (CPC) against imperialism and for national liberation.

He added that Adler's "heart and soul was closely bound to those of the Chinese people."

Adler "resolved to come and settle down in China in 1962, showing his profound feelings towards the Chinese

people, his firm confidence in and pursuance for the cause of socialism," Wu said.

Over the past 30 years and more, he said, Adler had devoted himself to the cause of socialist construction of the Chinese people with all his wisdom and experience.

Since the early 1980s, Adler served as advisor to the Development Research Center of the State Council, the Ministry of Foreign Trade and Economic Cooperation, and the Institute of World Economy and Politics under the Chinese Academy of Social Sciences.

Wu said Adler applied his profound knowledge on international economics and international politics to the study of the issues of China's economic development and related international issues, and set forth "many very valuable views and propositions".

In addition, he said, Adler also participated in the finalizing the English translation of works or selected works by the Chinese proletarian revolutionaries of the older generation and many important documents of the Communist Party and the government.

"Thanks to his high level of theoretical understanding, literary attainment and a sense of responsibility, and with his meticulous scholarship, he had made outstanding contributions to the translation work," Wu said.

Pat Adler thanked the Chinese Communist Party and the government for their messages of sympathy.

She said Adler had always been convinced that the Chinese people would overcome all difficulties and would eventually succeed in building their country into a splendid socialist nation.

Representatives from the Ministry of Foreign Trade and Economic Cooperation, the Compilation and Translation Bureau of the CPC Central Committee and the Academy of Social Sciences and some of Adler's friends also spoke at the meeting.

Li Shuzheng, head of the International Liaison Department of the CPC Central Committee, Ma Hong, honorary director of the Development Research Center, and Zhu Liang, director of the NPC's Foreign Affairs Committee, attended the meeting.

Adler's ashes have already been spread on the land of China which he loved, according to his own will.

#### Wen Jibao Meets With U.S. Law Professor

OW1209113794 Beijing XINHUA in English 1120  
GMT 12 Sep 94

[Text] Beijing, September 12 (XINHUA)—Wen Jiabao, alternate member of the Political Bureau of the Chinese Communist Party Central Committee, met today with Roy L. Prosterman, professor of law at the University of Washington Law School and president of the Rural Development Institute, Seattle.

Professor Prosterman came here at the invitation of the Development and Research Center of the State Council. Before arriving in Beijing, he had made a two-week study and investigation on rural economic reform in east China's Shandong and Anhui Provinces.

#### Sino-U.S. Relations Seen Moving Forward

HK0809122294 Beijing ZHONGGUO XINWEN SHE  
in Chinese 1003 GMT 4 Sep 94

[By Staff Reporter Yu Donghui (0151 2639 2547)]

[Text] Beijing, 4 Sep (ZHONGGUO XINWEN SHE)—Assuming the mission given him by U.S. President Bill Clinton, Secretary of Commerce Ron Brown cheerfully came to China and left happily with "unexpected results" after a seven-day visit.

The media at home and abroad unanimously believe Brown's historic visit signaled the beginning of a Sino-U.S. trade partnership.

Under the slogan of "commercial diplomacy," the achievements made by Brown in his China trip were apparent to all: The two sides signed a protocol on the framework of industrial cooperation and working plans for 13 trades; U.S. corporations signed business contracts involving \$6 billion; and the two sides furthered mutual understanding on China's reentry into GATT, the protection of intellectual property rights, and the opening of China's service industries.

Clinton decided in May this year to separate China's MFN trading status from the human rights issue. The Sino-U.S. relationship was at that point ushered into a "post-MFN era" featuring mainly "agreeing to disagree" and "shelving controversy over human rights to seek common economic interests."

The United States has advanced energy, transportation, and telecommunications technologies and abundant funds and China's huge market and strong desire to promote scientific and technological progress and infrastructural development are complementary to a great extent. Previously their different political views, especially the controversy over human rights, constituted the main obstacle to improving bilateral relations.

According to China's statistics, in the first seven months of this year, the total volume of Sino-U.S. trade stood at \$17.4 billion while the corresponding figure for Sino-EC trade was just \$16.4 billion. With the formation of Sino-German partnership and the overall normalization of Sino-French relations, the EC has broken into many sectors of the Chinese market before others. Now that China has decided to spend \$250 billion on construction projects, the United States is naturally unwilling to lose the golden chance.

Brown headed of a "presidential commercial expansion mission" comprising 24 leaders of large U.S. corporations. Jiang Zemin, Li Peng, Zou Jiahua, and Li Lanqing



met with Brown in turn and expressed China's desire to improve relations with the United States. These interviews were of a high standard.

"A willow casually planted may grow to give shade." Brown did not come to China for the human rights issue but he was given an unexpected reward: China said it was willing to restore discussions with the United States over the human rights issue.

Despite this, the two countries have a long way to go to form a trade alliance and partnership as desired by Brown.

The key lies in whether the two sides can reach a mutually acceptable agreement on China's reentry into GATT.

Just as Chinese Premier Li Peng put it when he visited Germany in July: "Economics represents the most important aspect of politics." Since the Cold War finished, economic relations have become the most important factor affecting state-to-state relations.

China gives top priority to economic construction while the United States is eager to reinvigorate its economy. Only when the two sides show sincerity, act in a pragmatic and flexible way, and abide by the principle of equality and mutual benefit, can they really establish a commercial partnership. Political and economic confrontation can only cause both sides to suffer.

#### **U.S. Expresses 'Willingness' To Reach Settlement With DPRK**

*OW1009052394 Beijing XINHUA in English 0344 GMT 10 Sep 94*

[Text] Washington, September 9 (XINHUA)—The United States expressed its willingness today to reach a settlement with the Democratic People's Republic of Korea (DPRK) well before the DPRK reveals the full history of its nuclear program.

Assistant Secretary of State Robert Gallucci, the lead U.S. negotiator in talks with the DPRK, told a news conference that special inspections to find how much plutonium the DPRK produced in the past could be done after a settlement was reached.

"It is our view that the actual implementation of special inspections, which we recognize is a serious political issue for the DPRK, need not be undertaken immediately for a settlement to be successful," Gallucci said.

He said there is not "a time urgency" to the inspections, suggesting that they could be put off months or years.

Gallucci's statement was reported to represent a softening of the Clinton administration's stand toward the DPRK.

On Wednesday [7 September], Secretary of State Warren Christopher said that "unless North Korea resolves

concerns about its past nuclear activities, it will be unable to implement its safeguards agreements under the Nonproliferation Treaty."

Christopher made the remarks at a joint press conference with South Korean Foreign Minister Han Sung-chu following their meetings in Washington.

Han also said that during their talks they confirmed the importance of securing nuclear transparency of the DPRK program, "not only the present and the future but also the past activities in this nuclear issue."

But U.S. officials said at the time that Christopher's hard-line remarks were designed to ease concerns in Seoul that the United States was proceeding too rapidly toward a settlement with the DPRK.

The U.S. and the DPRK technical experts are scheduled to meet in Pyongyang Saturday for talks on establishing liaison offices in each other's capitals.

Also, they will meet in Berlin for discussions the same day on how to transform the DPRK's nuclear reactors from graphite-moderated to light-water reactors.

However, Gallucci said that "we have been clear with the DPRK in our discussions that neither the United States nor any other country is going to provide a light-water reactor to North Korea unless and until North Korea comes into full compliance with its safeguards agreement."

#### **Column Views Christopher's Mideast Visits**

*HK1309044594 Beijing RENMIN RIBAO in Chinese 2 Sep 94 p 6*

["International Forum" article by Zhu Mengkui (2612 1125 7608): "Analyzing U.S. Secretary of State's Frequent Visits to the Middle East"]

[Text] Warren Christopher, U.S. secretary of state, is scheduled to visit the Middle East again in a few days TIME. This will be his third visit to the Middle East to do mediation work in a month and more. In the past year, major breakthroughs have been made in the Middle East peace process, bringing about separate peace agreements between Palestine and Israel and between Jordan and Israel and resolving the deadlock in the talks between Syria and Israel and between Lebanon and Israel. The schedule of Christopher's visits to the Middle East has become tighter and tighter.

The Middle East is an important pivotal point in the U.S. global strategy. Some Western observers think that the United States, through involving herself in the Gulf war several years ago, has removed the strategic threat to Israel and won a secure environment for Israel. Therefore, although the United States at that time rejected the Arab proposal to resolve the Gulf crisis by linking it with the Palestine issue, the new pattern which has emerged in the Middle East since then has provided a season for

the United States to "harvest peace." This is the basic background to Christopher's frequent visits to the Middle East.

The U.S. administrative authorities have frequently suffered setbacks in foreign affairs in recent years, causing much criticism at home. The public's level of support for President Clinton has decreased and the mid-term elections are approaching. Under such circumstances, if the point for making a breakthrough in the Middle East peace talks is expanded and something is accomplished in foreign affairs, this can be regarded as a good move to win the public trust. Therefore, Christopher has made haste to carry out diplomatic activities in this hot spot which has attracted worldwide attention.

Viewed from a wider scope, realizing stability in the Middle East is a key point in U.S. diplomacy to build a new world order in its mind's eye. Recently, the Western media has wantonly spread the "theory of the conflict between the West and Islamic fundamentalism." No matter what the intention may be, the realization of a comprehensive Arab-Israeli peace, in the eyes of the United States, is a gate for curbing the spread of Islamic fundamentalism. Therefore, following the separate peace agreements made between Palestine and Israel and between Jordan and Israel, promoting and pressing Syria and Lebanon to follow the examples of Palestine and Jordan and hold direct talks separately with Israel has become the important mission of Christopher's upcoming visit to the Middle East.

Although the heavy door of peace in the Middle East has finally been opened, the United States, as pointed out by the media, should still further examine its Middle East policy. U.S. Middle East scholars have warned that the U.S. policy which opposes the establishment of the Palestine nation and is partial to the Israeli right wing, runs precisely counter to the fairness of peace in the Middle East. They hold that under the situation in which the majority of U.S. Jewish personalities have agreed to the establishment of the Palestine nation, the achievements made in the past year in the peace talks in the Middle East could still be buried if the U.S. Government sticks to established practice.

In short, according to the road signs in foreign affairs designed by the United States at present, there are bound to be twists and turns in looking for an outlet from the Middle East labyrinth. Christopher's diplomatic journey to the vast desert that is the Middle East will evidently be long and arduous.

### Central Eurasia

#### 'Forum' Views Sino-Russian Communique on Missile Targeting

HK1209144094 Beijing RENMIN RIBAO in Chinese 5 Sep 94 p 6

["International Forum" article by Gu Ping (0657 1627): "An Important Statement"]

[Text] Jiang Zemin, president of the PRC, and Boris Yeltsin, president of the Russian Federation, issued a joint communique in Moscow on 3 September, which reiterated that China and Russia will not use nuclear weapons against each other and that the two countries will not aim nuclear weapons at each other. This is an important statement and an important document in the history of Sino-Russian relations.

China and Russia are two neighboring countries with mountains and rivers linking them together, and they have common borders with a total length of more than 4,000 km. Both are big countries with extensive ties with other countries, have an important influence worldwide, and are playing an important role in the world. Therefore, it will not only be in the interests of the Chinese and Russian peoples but also advantageous to the peace, stability, and development of the Asia-Pacific region and also the world if the two countries can get along well, peacefully and friendly. In recent years, Sino-Russian relations have developed smoothly. The two countries have treated each other as friends and have actively developed good-neighborly relations based on the principles of mutual respect for sovereignty and territorial integrity, mutual nonaggression, noninterference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence. And they have achieved fruitful cooperation in the fields of politics, economy and trade, science and technology, and culture.

During President Yeltsin's visit to China in December 1992, the two sides signed a "Sino-Russian Joint Declaration" which expressly stipulates that neither side will use nuclear weapons first against the other. This time, the leaders of the two countries reiterated this important principle, and announced that neither side would aim nuclear weapons at the other. This will create still more favorable conditions for the enhancement of peace and tranquility between the two countries and will lay a still more solid foundation for the enhancement of mutual trust and the further development of good-neighborly relations. Both China and Russia have their eyes on the 21st century, and they will continue to promote, steadily and along the right track, good-neighborly relations and cooperation for mutual benefit. This not only conforms with the fundamental interests of the Chinese and Russian peoples but is also of important significance to the enhancement of peace and development in the Asia-Pacific region and in the world as well.

China has consistently stood for the complete prohibition and thorough destruction of nuclear weapons and for a complete ban on nuclear tests within this context. China unilaterally committed itself long ago to no first use of nuclear weapons at any time and under any circumstances and not to use or threaten to use nuclear weapons against any nuclear-free countries or regions. China's principled stand of a love for peace and against "nuclear deterrence" has been acclaimed by people of all nations in the world. The vast number of nuclear-free countries have made major efforts and contributions to



promoting nuclear disarmament and the international peace process. It is fair and reasonable for them to ask for security assurances from nuclear countries. China fully supports these demands and has unilaterally offered these assurances. In order to reduce and to ultimately eliminate the nuclear threat, China has already urged all nuclear-armed countries to hold talks to conclude an international convention by which they would commit themselves to no first use of nuclear weapons and not to use or threaten to use nuclear weapons against nuclear-free countries and regions. The joint statement by China and Russia promising not to use armed force, and, in particular, not to use nuclear weapons first against each other is an important step toward this goal. It is hoped that other nuclear-armed countries will adopt a positive attitude as the two countries have done, and thus make their own contributions to the complete prohibition and thorough destruction of nuclear weapons.

#### **Trade Union Official Receives Kazakh Union Delegation**

*OW1209180294 Beijing XINHUA in English 1258 GMT 12 Sep 94*

[Text] Beijing, September 12 (XINHUA)—Wei Jianxing, president of the All-China Federation of Trade Unions, met here today with a Kazakhstan delegation from the Federation of Trade Unions headed by its President Mukashev Siiazbek [name as received].

The four Kazakhstan visitors arrived here this morning as guests of the All-China Federation of Trade Unions.

#### **Cableway To Be Built Across Sino-Russian Border River**

*OW1309070294 Beijing XINHUA in English 0648 GMT 13 Sep 94*

[Text] Beijing, September 13 (XINHUA)—A cableway is to be constructed across the Sino-Russian border river, Heilongjiang river, reported by the "INTERNATIONAL BUSINESS." [sentence as received]

The bridge will be built between Heihe city in northeast China's Heilongjiang Province and Blagovshchensk of Russia, according to a contract signed between the two cities.

The two sides agreed to set up a joint venture company consisting of three sides of Heihe, Blagovshchensk and a Hong Kong firm to be in charge of the construction and management of the cableway.

The Hong Kong firm will invest 9.98 million U.S. dollars in the cableway.

The two cities also decided to designate 40,000 square meters of land from each side as enclosed areas with modern facilities of recreation, shopping and sightseeing.

The bridge is scheduled to be completed in October next year.

### **Northeast Asia**

#### **Official, Japan's Murayama View Visit by Taiwan President**

*OW1209204294 Beijing XINHUA in English 1844 GMT 12 Sep 94*

[Text] Tokyo, September 12 (XINHUA)—Japanese Prime Minister Tomiichi Murayama said here today that it is important for Tokyo and Beijing to cooperate in the Asia-Pacific region and play a greater role.

During a meeting with senior Chinese lawmaker Yang Zhenya, Murayama said that his government will continue its established policy of giving great importance to Sino-Japanese relations.

Yang, vice chairman of the Foreign Affairs Committee of China's National People Congress (parliament) and a former ambassador to Japan, arrived here Sunday [11 September] for a nine-day visit.

Briefing Tokyo-based Chinese reporters on his meeting with Murayama, Yang said he had expressed the hope that the Japanese prime minister will visit China at an early date.

Murayama replied that he would consider the Chinese invitation and hopes to make a trip to China soon, according to Yang.

Touching on some questions surrounding the Hiroshima Asian games, Murayama said Japan will deal with the issue of Taiwan in line with the 1972 Sino-Japanese joint statement and the 1978 peace and friendship treaty between the two countries.

Japan's policy in this regard remains unchanged, he stressed.

Murayama said he was confident that the games will be a success.

#### **PRC Threatens To Boycott Asian Games**

*OW1309085394 Tokyo KYODO in English 0825 GMT 13 Sep 94*

[Text] Beijing, Sept. 13 KYODO—A Chinese official told a visiting Japanese delegation Tuesday [13 September] that Taiwan President Li Teng-hui may still want to attend the upcoming Hiroshima Asian Games and threatened a Chinese boycott of the games if the visit takes place.

Hisami Yamazaki, vice president of the religious group Soka Gakkai, said he was told by Sun Pinghua, president of the China-Japan Friendship Association, that the recent announcement by the Olympic Committee of

Asia (OCA) that no "political figure" would be invited to Hiroshima was "only a statement" and Li could still wish to go.

"If Li Teng-hui visits Japan, the Chinese side will not send its athletes," Sun was quoted as saying.

In separate talks with Politburo Standing Committee Member Hu Jintao, Yamazaki said he was told that such a visit to Japan would constitute interference in China's internal affairs and a violation of China's sovereignty.

OCA President Ahmad Al-Fahad invited Li to attend the games weeks ago, much to the dissatisfaction of the Chinese Government, which maintains there is one sole government of China and that Taiwan is an inseparable part of the country.

On Monday, the OCA head qualified his invitation by stating that no foreign political figures would be invited to the games, which theoretically does not prevent Li from going as a private citizen.

The issue has caused widespread controversy throughout Asia, with pro-Taiwan advocates pointing to the island territory's huge international trade as the main reason why Taipei should enjoy higher international status.

According to Yamazaki, Sun himself mentioned a petition signed by several Japanese politicians demanding that Li be allowed to visit Hiroshima, western Japan, adding he hopes the Japanese Government will refrain from issuing a visa to Li.

#### **Japanese Business Mission Arrives in Beijing**

OW1309111594 Tokyo KYODO in English 1031 GMT  
13 Sep 94

[Text] Beijing, Sept. 13 KYODO—A Japanese business mission arrived in Beijing on Tuesday [13 September] for a five-day visit for talks with Chinese leaders.

Soon after their arrival, the mission organized by the Japan-China Association of Economy and Trade, headed by Ryoichi Kawai, chairman of Komatsu Ltd., paid a courtesy call on Zheng Hongye, chairman of the China Council for the Promotion of International Trade.

The 70-member delegation then attended a reception sponsored by the Chinese Council.

During the five days through Saturday, the mission, which is the 20th in a series of such visits, is scheduled to meet President and Communist Party General Secretary Jiang Zemin, Premier Li Peng and other Chinese leaders to discuss China's economic midterm policy and other issues.

The 70 members, including Shoichiro Toyoda, chairman of the Federation of Economic Organizations (Keidanren) and Toyota Motor Corp., will visit the State Planning Commission, and the Ministry of Foreign Trade and Economy Wednesday.

On Thursday, the mission plans group sessions on four separate issues such as the auto market in China and environmental protection.

It will also visit the Chinese east coast city of Qingdao on Friday to look into the investment climate there as direct flights between Japan and the city start this month.

#### **Group of Asia-Pacific News Agencies Meets in Beijing**

OW1209045594 Tokyo KYODO in English 0409 GMT  
12 Sep 94

[Text] Beijing, Sept. 12 KYODO—The Organization of Asia-Pacific News Agencies (OANA) opened its ninth annual conference in Beijing on Monday [12 September] with over 70 delegates from 25 news agencies attending.

Guo Chaoren, president of China's state-run XINHUA NEWS AGENCY, opened the three-day meeting, which will concentrate on the theme of "reinforcement of coverage of Asian economic news—OANA's role."

In his opening speech, Yasuhiko Inukai, OANA president and head of Japan's KYODO NEWS SERVICE, stressed the importance of Asian countries cooperating to cover and globally transmit news from the rapidly changing region, rather than leaving it to Western agencies to do so.

"OANA member news agencies should positively cooperate with each other in covering the high-growth Asian economy on their own, without relying on transnational news agencies," Inukai said.

At the end of the meeting, XINHUA will take over the presidency of OANA, which has been held by KYODO since the eighth OANA conference in 1991.

#### **Southeast Asia & Pacific**

##### **Premier Li Peng Meets Burmese Officials**

OW0909133294 Beijing XINHUA in English 1247  
GMT 9 Sep 94

[Text] Beijing, September 9 (XINHUA)—Chinese Premier Li Peng said here today that it is China's consistent policy to consolidate and promote its friendly and good-neighborly relations with Myanmar [Burma].

Li made the remark when meeting with Lt. Gen. Khin Nyunt, first secretary of the State Law and Order Restoration Council of the Union of Myanmar, and his party.

China and Myanmar are friendly neighbors, Li said, and the two countries' friendly relations are beneficial not only to the two sides, but also to peace and stability in the region.

Li mentioned that the leaders of the two countries began their frequent exchanges of visits in the 1950s, which have made great contributions to Sino-Myanmar friendship.

The Chinese premier said that China is satisfied with the increasing co-operation in all fields, including politics, economy, trade and culture between the two countries.

He pointed out that there still exist great potential and broad prospects for Sino-Myanmarese co-operation, and said he hoped that the two sides would make further efforts to widen the areas of the mutually beneficial collaboration.

Briefing the guests on the current situation of China's reform and opening up, Li said that the key to the success of China's reform is "the condition of maintaining stability".

Khin Nyunt said that Myanmar, happy with the achievements that China has made, is willing to learn from China's successful experiences to develop its economy.

Khin Nyunt, who is on his fourth China visit, invited Li to visit Myanmar and Li readily accepted the invitation.

#### **Yunnan's Governor Meets Official**

*OW1109152694 Beijing XINHUA in English 1452  
GMT 11 Sep 94*

[Text] Kunming, September 11 (XINHUA)—Yunnan Provincial Governor He Zhiqiang exchanged views with Khin Nyunt, first secretary of the State Law and Order Restoration Council of the Union of Myanmar [Burma] here today, on enhancing bilateral cooperation in transportation, tourism and economy and trade.

He, who had been to Myanmar for three times, said that the increased cooperation between southwest China's Yunnan Province and its neighboring Myanmar would improve the economic development of the two places, but also in the whole Southeast Asia.

Khin Nyunt expressed his appreciation of the rapid progress of the border trade between Yunnan and Myanmar. He said he hoped that Yunnan would invest more in Myanmar and take the country as a channel of export to other countries.

Khin Nyunt and his party arrived here this afternoon. During their stay here, officials in the Myanmar delegation will hold talks with their Yunnan counterparts on cooperation in trade and economy, joint effort to combat drug trafficking and other issues.

#### **CNOOC Buys Interest in Indonesian Oilfields**

*OW0909140594 Beijing XINHUA in English 1318  
GMT 9 Sep 94*

[Text] Beijing, September 9 (XINHUA)—The China National Offshore Oil Corporation (CNOOC) has become the biggest shareholder in Indonesia's oilfields near the Straits of Malacca by acquiring a 32.58 percent interest.

This was the first move taken by CNOOC after it vowed to build itself into an international corporation earlier this year.

In a news release issued here today CNOOC said it acquired the shares from the U.S. oil giant Arco, which had been the major shareholder in the Malacca block for the previous ten years.

The release said CNOOC and Arco reached an agreement on the transfer of interest early this year. With the approval of the Chinese Government and the State Oil Company of Indonesia, the deal began to be implemented September 6.

The contracted block near the straits covers an area of some 10,000 sq km, with a total of 13 oilfields in operation, according to experts.

It has another three proven oil- and gas-bearing structures, and a dozen promising structures, indicating encouraging potential for oil prospecting and exploration, they said.

CNOOC refused to reveal the value of the deal, only saying it is "optimistic" over projected economic returns.

The experts noted that the Chinese participation in the exploration of Indonesian oil fields will promote friendly co-operation between the oil industries of the two sides.

Indonesia has the biggest oil reserves in Southeast Asia and is the major producer of liquefied natural gas in the region. Since the 1950s oil revenues have become an important pillar of its national economy.

#### **Shanghai Economic Delegation Visits Singapore**

*OW1209062794 Shanghai People's Radio Network in  
Mandarin 2300 GMT 10 Sep 94*

[From the "990 Morning News" program]

[Text] At the invitation of Singapore's Trade Development Bureau and Economic Development Bureau, a 10-member Shanghai economic delegation headed by Vice Mayor Xu Kuandi arrived in Singapore for a visit on 4 September. They explored with local entrepreneurs on the possibility of expanding economic cooperation. During their stay in Singapore, Singapore's President Ong Teng Cheong and Deputy Prime Minister Lee Hsien Loong, respectively, met and held friendly talks with the delegation. Vice Mayor Xu Kuandi and his party will leave Singapore for Hong Kong today to attend the Shanghai-Hong Kong 21st Century Economic Cooperation Seminar.

#### **Tianjin Secretary Meets With Thai Business Group**

*SK1209061294 Tianjin People's Radio in Mandarin  
2300 GMT 11 Sep 94*

[Text] The first business group visited Tianjin following the open-for-business activities conducted by a delegation from Tianjin in foreign countries.



On the evening of 11 September at Yingbin Guesthouse, Gao Dezhan, secretary of the municipal party committee, cordially met with (Xie Guomin), chairman of the board of Thailand's Chia Tai group of companies; (Xie Zhongmin), president of the group; and guests from Germany's (Ninor) textile industrial company.

Both the host and the guests held talks in a cordial and friendly atmosphere.

Gao Dezhan said: The warm reception by the Chia Tai group of companies left a deep impression on us when the Tianjin delegation visited Thailand. I sincerely thanked you. As soon as the delegation of Tianjin returned home, a visiting group of high-ranking members of the Chia Tai group of companies headed by Chairman (Xie Guomin) visited Tianjin. This embodies the good prospects for mutual cooperation and indicates that both sides have entered a new stage of cooperation in wider spheres. The visit of this group will greatly promote the progress of the cooperation, which were discussed when the delegation of Tianjin visited Thailand.

Gao Dezhan said: You have visited some enterprises in Tianjin today. Tianjin has many trades and many enterprises. So, we have many choices for cooperation and great potential for cooperation.

He hoped that both sides would further speed up the pace of cooperation.

Li Jianguo, Li Huifen, and Zheng Zhiying, leaders of the municipality; and (Dong Jianhua), chairman of the municipal foreign affairs office, were present at the meeting.

#### **Tianjin Mayor Meets With Thai Businessmen**

SK1209062494 *Tianjin People's Radio in Mandarin*  
2300 GMT 11 Sep 94

[Text] On 11 September at Guoji Building, Zhang Lichang, mayor of the municipal government, met with (Xie Guomin), chairman of the board of Thailand's Chia Tai group of companies; (Xie Zhongmin), president of the group; and guests of Germany's (Ninor) textile industrial company.

Amid a friendly and frank atmosphere, both the host and the guests deeply held talks on transforming the municipality's textile trade, making joint investment, and conducting cooperation in the textile sphere.

On behalf of the municipal government, Zhang Lichang expressed welcome to the guests for their visit to Tianjin again.

In regard to the issues of using foreign capital to transform old enterprises, Zhang Lichang said: Tianjin is an old industrial city with a long history. All foreign friends are welcome to fully use our foundation and conditions to investment in Tianjin and to conduct cooperation with us.

Mr. (Xie Guomin) highly assessed Tianjin's investment environment.

He pledged to accelerate the pace of cooperation with the textile trade of Tianjin and also made suggestions on using foreign capital to transform Tianjin's textile trade.

Accompanied by Vice Mayor Li Huifen, the guests inspected the municipality's textile and medical enterprises.

#### **CPC Official Meets With SRV General State Inspector**

OW1109144594 *Beijing XINHUA in English* 1348  
GMT 11 Sep 94

[Text] Beijing, September 11 (XINHUA)—Wei Jianxing, member of the Political Bureau and Secretariat of the Central Committee of the Communist Party of China (CPC) and secretary of the CPC Central Commission for Discipline Inspection, met with a delegation from the Vietnamese State Inspectorate here this evening.

Both sides exchanged views on issues of common concern.

Those present at the meeting were deputy secretary of the CPC Central Commission for Discipline Inspection Hou Zongbin, and Minister of Supervision Cao Qingze who held working talks with the Vietnamese guests this afternoon.

The seven-member delegation headed by Vietnamese General State Inspector Nguyen Ky Cam [name as received] arrived here yesterday as guests of the Chinese Ministry of Supervision. They are also expected to visit Sichuan and Guangdong Provinces and the Guangxi Zhuang Autonomous Region in south and southwest China.

#### **CPC Official Meets With SRV Magazine Delegation**

OW1209120694 *Beijing XINHUA in English* 1132  
GMT 12 Sep 94

[Text] Beijing, September 12 (XINHUA)—Li Shuzheng, head of the International Liaison Department of the Central Committee of the Communist Party of China (CPC), met here today with a delegation from Vietnamese magazine "COMMUNISM", which is the theoretical publication of Vietnamese Communist Party's Central Committee.

The delegation, led by Nguyen Thien-nhan, deputy editor-in-chief of the "COMMUNISM", is here as guest of China's "SEEKING TRUTH" magazine.

#### **Ding Guanggen Receives SRV Party Delegation**

OW1209180594 *Beijing XINHUA in English* 1243  
GMT 12 Sep 94

[Text] Beijing, September 12 (XINHUA)—Ding Guanggen, member of the Political Bureau of the Communist

Party of China (CPC) Central Committee, met here this afternoon with a delegation from the Commission for Ideology and Culture of the Vietnamese Communist Party Central Committee.

Ding, also member of the Secretariat of the CPC Central Committee, discussed issues related to the two countries' economic construction and political and ideological work with Ha Dang, leader of the delegation and member of the Vietnamese Communist Party Central Committee.

Ding said that with an increasing exchange of visits by the delegations of the two parties, the party-to-party relationship has continuously enhanced.

He expressed the belief that the delegation's current visit to China will deepen mutual understanding and friendship.

Ha, also chairman of the commission, said that his delegation's visit is designed to know more about and learn from the experience in China's reform and opening-up as well as ideological and cultural work.

After their arrival here on September 10, the delegation has held talks with Xu Weicheng and Bai Keming, both deputy heads of the Propaganda Department of the CPC Central Committee.

Li Shuzheng, head of the International Liaison Department of the CPC Central Committee, is expected to meet with Ha Dang tomorrow.

The Vietnamese visitors are scheduled to traveling to Zhengzhou, Luoyang, Guangzhou and Shenzhen before returning home.

#### **NPC Vice Chairman Meets With Australian Opposition Leader**

*OW1209120594 Beijing XINHUA in English 1148 GMT 12 Sep 94*

[Text] Beijing, September 12 (XINHUA)—Wu Jieping, vice-chairman of the Standing Committee of the National People's Congress (NPC), met with Alexander Downer, leader of the Alliance of the Australian Opposition Parties, in the Great Hall of the People today.

Extending welcome to the guests, Wu said he appreciated Australian opposition parties' move to promote the relations between the two countries.

China is the first country Downer has visited since he was elected in May this year the leader of the Alliance of the Opposition which is composed of the Liberal and the National Parties.

#### **Near East & South Asia**

##### **Libyan Leader Meets Outgoing Ambassador**

*OW1209062994 Beijing XINHUA Domestic Service in Chinese 0821 GMT 9 Sep 94*

[Text] Beijing, 9 Sep (XINHUA)—A Tripoli source says that Libyan leader al-Qadhafi met outgoing Chinese Ambassador to Libya Wang Houli on 7 September.

Al-Qadhafi requested that Wang Houli convey his regards to the Chinese leaders. They also discussed ways to further develop friendly, cooperative relations between Libya and China.

##### **Shandong Vice Governor Meets With Palestinian Delegation**

*SK0709091394 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 6 Sep 94*

[Text] At noon on 6 September, Vice Governor Wu Aiyang met with the Palestinian People's Party delegation led by Darwish, member of the Palestinian Central Executive Committee and minister of Culture and Arts of the party Central Committee, at Jinan Qilu Guest-house.

The main purpose of this delegation's visit to our province was to realize our province's situation and experience in reform, opening up, and the modernization drive, especially in the building of spiritual civilization and culture.

##### **China Donates Wheat, Medicine to Afghan Refugees**

*OW0809173094 Beijing XINHUA in English 1515 GMT 8 Sep 94*

[Text] Islamabad, September 8 (XINHUA)—China today donated 350 tons of wheat and 14 tons of medicine to the Afghan refugees living in Pakistan.

Chen Zibin, economic and commercial councillor of the Chinese Embassy here, handed over the medicines and wheat to Zaibullah Khan, Pakistan additional commissioner of Afghan refugees at a ceremony near Peshawar, capital of the northwest frontier province.

Representatives of the World Food Program and United Nations High Commissioner for Refugees, Mamo Desta and Code Cisse, were also present on the occasion.

Zaibullah Khan said that the quantum of assistance from China is constantly increasing whereas other donor countries have reduced their contribution to relief and assistance for the Afghan refugees living in Pakistan.

He said that 1.2 million Afghan refugees are still living in the tentage villages and the world community should provide relief assistance commensurate with their needs.

Chen Zibin said that the People's Republic of China has increased the quantity of donation to be provided to Pakistan during the current year, adding that the 350 tons of wheat and 14 tons of medicines is the first installment of the total donation.

##### **CPPCC Vice-Chairman Meets Indian Guests**

*OW1209060994 Beijing XINHUA in English 0443 GMT 12 Sep 94*

[Text] Beijing, September 12 (XINHUA)—Ngapoi Ngawang Jigme, vice-chairman of the National Committee of the Chinese People's Political Consultative



Conference (CPPCC), met with Abid Hussain, vice-chairman of the Rajiv Ghandi Foundation of India, and his party here this morning.

The Indian guests arrived here yesterday at the invitation of the China Association for International Friendly Contact.

#### **India's Rao Meets Visiting PRC Defense Minister**

*OW1309091794 Beijing XINHUA Domestic Service in Chinese 1129 GMT 12 Sep 94*

[By reporter Li Jiasheng (2621 1367 5116)]

[Text] New Delhi, 12 Sep (XINHUA)—Indian Prime Minister Rao received visiting Chinese State Councillor and Defense Minister Chi Haotian and his entourage here today. They exchanged views on enhancing friendship and cooperation between the two countries and Armed Forces.

Rao said: During my visit to China last year, the two countries signed an agreement on "maintaining peace and tranquility along the lines of actual control on the Sino-Indian border." We also had substantive talks and there have been improvements in bilateral relations. "I am very glad and satisfied" with that.

Rao said that there are many things the two countries can do for the development of friendly bilateral relations. Besides, the two countries should also strengthen their cooperation in the international arena. He expressed the hope that the two nations would continue to have high level contacts and make their best efforts in promoting bilateral cooperation.

Chi Haotian said: Prime Minister Rao's visit to China last year has helped push forward Sino-Indian relations to a new stage. China attaches great importance to developing friendship with India. The development of friendship and cooperation between our two nations is not only in the interest of the two countries, but also conducive to peace and stability in Asia and world.

He said that the armed forces of both sides wish to step up cooperation and turn Sino-Indian borders into "long-term stable and peaceful borders."

Both Rao and Chi Haotian agreed that at the present stage the two nations should implement the agreement on "maintaining peace and tranquility along the lines of actual control on the Sino-Indian border."

#### **Leaders Discuss Ties**

*OW1209134994 Beijing XINHUA in English 1317 GMT 12 Sep 94*

[Text] New Delhi, September 12 (XINHUA)— Indian Prime Minister Narasimha Rao received visiting Chinese Defense Minister General Chi Haotian here today

and they exchanged views on enhancing friendship and cooperation between the two countries and Armed Forces.

"You are the first Chinese defense minister to visit India, which has special significance. We have many things to do for the development of friendly relations between our two countries. Besides, the two countries should also strengthen their cooperation in the international arena. Recently I visited Vietnam and Singapore and found that goodwill atmosphere exists among Asian countries, although there still exists some differences."

He further said that India wanted to continue to have high level contacts with China. The Congress Party of India and Chinese Communist Party have also established friendly relations.

The Chinese defense minister said that China attaches great importance to good relations with India. China and India, the most populous countries in the world, should come together. This is not only in the interest of the two countries, but also conducive to peace and stability in Asia and world.

He said that the two sides should make efforts to turn Sino-Indian borders into long-term stable and peaceful borders.

The Chinese defense minister began his India tour on September 7 and visited several Indian military units in Goa and Bombay and held talks with Indian military leaders on bilateral relation. He is going back home this evening.

#### **More on Meeting**

*OW1209180994 Beijing XINHUA in English 1649 GMT 12 Sep 94*

[Text] New Delhi, September 12 (XINHUA)—Indian Vice-President R. Narayanan and President S.D. Sharma received visiting Chinese Defense Minister General Chi Haotian on separate occasions here this evening and both sides stressed the importance of enhancing Sino-Indian relations.

Sharma said that the Chinese and Indian people constitute 40 percent of the world population. The two countries enjoy rich natural and man power resources. Development of friendly relations between the two countries will make bigger contributions to world peace.

He said that he is happy over the achievements made by the Chinese people in the past few years and the Indian vice-president will soon visit China to see himself.

Vice-President Narayanan said that constant development of good relations and cooperation between India and China is not only an important element for stability in Asia, but also conducive to world peace and stability. Narayanan was India's former ambassador to China and has made great contributions to the strengthening of

Sino-Indian friendship and cooperation. He will visit China again in the near future.

Chi Haotian shared Indian hosts' views and expressed his desire to further enhance the friendship and cooperation between the two countries and armed forces.

The Chinese defense minister is leaving here for home this evening.

### **Delhi Reports Accord on Health Cooperation With India**

BK0309134094 *Delhi All India Radio Network in English* 1230 GMT 3 Sep 94

[Text] India and China have signed an agreement for tie-ups in traditional medicine, pharmaceuticals, and family planning. The agreement was signed by the union minister for health and family welfare, Mr. B. Shankaranand, and the Chinese minister for public health, Mr. Chen Minzhang, in Beijing today. The accord envisages sharing of information, quality control, and manufacturing practices in pharmaceuticals and exchange of delegations of specialists in Yoga and acupuncture.

### **Wei Jianxing Meets With Pakistan Delegation**

OW0809102494 *Beijing XINHUA in English* 0955 GMT 8 Sep 94

[Text] Beijing, September 8 (XINHUA)—Wei Jianxing, member of the Political Bureau of the Chinese Communist Party Central Committee and member of the Secretariat of the CPC Central Committee, met here today with the Pakistan People's Party delegation led by Fakhar Zaman, member of the party's Central Executive Committee.

## **Sub-Saharan Africa**

### **Gabonese Premier Casimir Oye-Mba Visits China**

#### **Arrives for Visit**

OW0609102694 *Beijing XINHUA in English* 0337 GMT 6 Sep 94

[Text] Beijing, September 6 (XINHUA)—Gabonese Prime Minister Casimir Oye-Mba arrived here by air this morning on a six-day official goodwill visit to China at the invitation of Chinese Premier Li Peng.

This afternoon, Premier Li Peng is expected to host a welcoming ceremony for Mba, who is on his first visit to China. Mrs. Mba and their party. Afterwards, the Chinese and Gabonese leaders will hold talks on the growth of bilateral relations and regional situation.

They were greeted at the airport by Ma Yimin, chairman of the Chinese Government Reception Committee and vice-minister of internal trade, and his wife as well as Assistant Foreign Minister Wang Changyi.

### **Li Peng Meets Premier**

OW0609145294 *Beijing XINHUA in English* 1416 GMT 6 Sep 94

[Text] Beijing, September 6 (XINHUA)—Chinese Premier Li Peng held talks with Gabonese Prime Minister Casimir Oye-Mba here today, exchanging views with him on bilateral ties, and regional and international issues of common concern.

Li extended a welcome to Oye-Mba, who arrived in time for the 20th anniversary of the establishment of Sino-Gabonese diplomatic ties.

Li said the visit would play an important role in strengthening bilateral relations.

Since the two countries set up diplomatic relations 20 years ago, Li said, China and Gabon have respected and trusted each other, and the two nations have conducted effective co-operation in political, economic and other fields.

The two countries have sympathized with and supported each other in international affairs, he added.

The premier said that China and Gabon still have a lot of things to do to promote economic co-operation. He said he hoped the relevant ministers of the two countries could discuss co-operation in agriculture, forms of trade and other issues.

Li told the guest that the Chinese Government will support all projects that are in the interests of both countries and have good economic efficiency.

Li said that there is potential in bilateral trade ties. He added that inexpensive and high-quality Chinese commodities are suitable for the Gabonese market. China is willing to work with Gabon to expand the area of bilateral trade, he said.

Oye-Mba said Gabon and China have always enjoyed close and friendly relations, which have grown further in recent years.

He said he would make use of this first visit to China to further promote the development of bilateral ties.

Oye-Mba said he was satisfied with the co-operation in agriculture, public health and education, as well as China's aid in these fields.

He said his country has rich forestry and fishing resources, and China can be more active in Gabon's economic development, particularly in these areas.

On Gabon's domestic situation and its foreign relations, Oye-Mba said Gabon is now undertaking political and economic reform.

Despite the fact that Gabon has some economic advantages, he told Li, it suffers from low prices for its exports of raw materials and high prices for finished products it imports from Western countries.

On the international situation, Li Peng said hegemony and power politics still exist, although tension has been eased in some areas.

The widening of the North-South gap and exchanges of unequal value have made many developing countries poorer, Li added.

He said peace and development face severe challenges, and China holds that a reasonable new international order, both economic and political, should be set up on the basis of the five principles of peaceful co-existence.

Oye-Mba arrived here earlier today on an official goodwill visit at the invitation of Li.

Before the talks, Li presided over a ceremony near the Great Hall of the People to welcome his guest.

Chinese State Councillor Luo Gan was present at the ceremony.

Later, Li hosted a dinner in honor of Oye-Mba, his wife and party.

#### Qiao Shi Meets Premier

OW0709100294 Beijing XINHUA in English 0655  
GMT 7 Sep 94

[Text] Beijing, September 7 (XINHUA)—Qiao Shi, chairman of the Chinese National People's Congress (NPC) Standing Committee, said here today that China has always held that it is imperative to establish a fair, reasonable new world political and economic order.

Qiao made this remark while meeting with Gabonese Prime Minister Casimir Oye-Mba here this morning. "It needs time of course," he said, "but we believe that so long as the developing countries are united and rely on their own efforts to seek development, the situation will be getting better gradually."

Oye-Mba said that the present unreasonable and unfair international economic structure creates many difficulties for the developing countries.

"We hope that China, as a permanent member of the United Nations Security Council, will play a still greater role in this regard," he added.

Qiao recalled that since China and Gabon established diplomatic ties in 1974, bilateral relations have grown smoothly and this is resultant from common efforts, he said.

He said that president El Hadj Omar Bongo, an old friend of the Chinese people, has visited China on seven occasions and made important contributions to the Sino-Gabonese friendly relations.

Qiao said he was convinced that Oye-Mba's current visit to China will surely enhance the existing good relations between the two countries.

He said that he had held very good talks with Gabonese President Chambrier Rahandi of the National Assembly during his China tour two months ago. His visit gave an impetus to the growth of ties between the Gabonese parliament and the Chinese NPC.

Oye-Mba told Qiao that yesterday he and Chinese Premier Li Peng had very good talks on bilateral ties and international situation.

This year marks the 20th anniversary of the establishment of diplomatic relations between the two countries, he noted. Gabon was very satisfied with the growth of such relationship.

"It is our hope that cooperation between the two countries will further expand, especially in the areas of agriculture and public health. We are looking forward to more help from China in these fields," he said.

Noting gratifying achievements made in China's economic reform and development, Oye-Mba said that the Gabonese Government and people thanked China for its assistance to his country.

In return, Qiao said that China will continue to provide assistance to Gabon within its capability.

During the meeting, Qiao asked Oye-Mba to convey his greetings to President Bongo.

#### Premier Leaves Beijing

OW0809062894 Beijing XINHUA in English 0559  
GMT 8 Sep 94

[Text] Beijing, September 8 (XINHUA)—Gabonese Prime Minister Casimir Oye-Mba and Mrs. Oye-Mba and his party left here for Nantong, Jiangsu Province, by special plane this morning in the company of Ma Yimin, chairman of the Chinese Government Reception Committee and vice-minister of internal trade.

Before his departure, Oye-Mba went to visit the memorial hall of the late Chairman Mao Zedong, where he laid a wreath in front of Mao's statue and then paid his respects to Mao's remains.

Yesterday afternoon, Oye-Mba and his party, accompanied by Ma, toured the Beijing Economic and Technological Development Zone located on the city's south-eastern outskirts.

Liang Yuewen, president of the Beijing Economic and Technological Investment Development Corporation, briefed the visitors on the zone's development and prospects.

Oye-Mba said this is his first visit to China as a guest of Chinese Premier Li Peng, which shows that the two countries have enjoyed very good relationship.

The visit enables him to know that vigorously-developing China is a country with a bright future, he said.



He expressed the hope that the entrepreneurs of the two countries will enhance cooperation and work to explore possibilities for the establishment of Gabon-China joint ventures.

At the end of the visit, Oye-Mba, as the first head of a foreign government to visit the Beijing development zone, wrote on a visitor's book: "I appreciate China for the efforts that it has been made to enter the ranks of advanced countries in the world. I wish you success."

During his stay in the zone, Oye-Mba and his party also visited the Shiseido Liyuan Cosmetics Co., Ltd. invested jointly by Japan's Shiseido company and the Beijing Liyuan Cosmetics Company.

#### **Premier Arrives in Shanghai**

OW0909143794 Beijing XINHUA in English 1357 GMT 9 Sep 94

[Text] Shanghai, September 9 (XINHUA)—Shanghai's Mayor Huang Ju met here today with Gabonese Prime Minister Casimir Oye-Mba, who arrived here earlier today for a visit.

Before coming to Shanghai, Oye-Mba and his party visited Nantong, a port city near the mouth of the Chang Jiang river.

The Gabon visitors are scheduled to tour the Pudong New Area and meet local entrepreneurs during their stay in Shanghai.

Oye-Mba and his party arrived in Nantong from Beijing on Thursday [8 September]. In Nantong, they visited factories and enterprises and an economic and technological development zone. They also inspected several water conservancy and agricultural projects.

#### **Premier Meets Shanghai Businessmen**

OW1209063194 Shanghai People's Radio Network in Mandarin 2300 GMT 10 Sep 94

[From the "990 Morning News" program]

[Text] While meeting with Shanghai businessmen on 10 September, Gabon's Prime Minister Oye-Mba said that a more open Gabon wants to increase exchanges and to expand cooperation with Shanghai in order to promote the economic development of Gabon and Shanghai. The Prime Minister said that Gabon warmly welcomes Shanghai businessmen to invest and set up firms in Gabon.

Accompanied by Vice Mayor Jiang Yiren, Oye-Mba and his party visited the Jinqiao Export Products Processing Zone and (Qizhong) Village in the New Pudong Zone and toured the Yangpu Bridge.

#### **Ends Visit, Departs for Home**

OW1109131294 Beijing XINHUA in English 1247 GMT 11 Sep 94

[Text] Beijing, September 11 (XINHUA)—Visiting Gabonese Prime Minister Casimir Oye-Mba wound up his official goodwill visit to China and left here this afternoon.

Ma Yimin, chairman of the Chinese Government Reception Committee and vice-minister of internal trade, was among those seeing the Gabonese guests off at the airport.

Oye-Mba and his party returned here from Shanghai this morning after touring Nantong and Shanghai.

#### **Mali Prime Minister Visits Shanghai**

OW3108113494 Shanghai People's Radio Network in Mandarin 2300 GMT 29 Aug 94

[From the "990 Morning News" program]

[Text] On 29 August, The Malian prime minister, his wife Mrs. Keita, and their delegation arrived in Shanghai from Hefei by special plane. They were accompanied by Vice Justice Minister Zhang Geng, who heads the Chinese Government Reception Committee.

On behalf of Mayor Huang Ju, Vice Mayor Sha Lin met Prime Minister Keita and his delegation at the Jinjiang Tower in the evening. The host and his guests held cordial and friendly talks on strengthening bilateral cooperation and exchanges.

Yesterday, Prime Minister Keita and his delegation also toured the Nanpu Bridge and watched the night scenes on Waitan [the Bund] and Nanjing Road.

#### **Chi Haotian Confers With Tanzanian Defense Official**

OW0209215494 Beijing XINHUA Domestic Service in Chinese 0459 GMT 31 Aug 94

[By reporter Pei Shanqin (5952 0810 0530)]

[Text] Dar es Salaam, 30 Aug (XINHUA)—Chi Haotian, Chinese state councillor and defense minister, and Kinana, Tanzanian minister [of state] of defense and national service, held talks here today on strengthening cooperation between the two countries and between their armed forces. They reached identical views on this issue.

Both sides expressed satisfaction with the friendly cooperation between the armed forces of the two countries over the past 30 years. Chi Haotian said: Relations between China and Tanzania have always been good since the two countries established diplomatic relations more than 30 years ago. The two countries have entered into fruitful cooperation in the fields of politics, economy, military affairs, and culture. Kinana said: We are pleased to note that this friendly and cooperative relationship built by leaders of the older generation of the two countries—Nyerere, Mao Zedong, and Zhou Enlai—has not only been carried forward but also been developed. Kinana expressed gratitude for the massive aid provided to Tanzania by China in the past.

Both sides agreed the two countries will further develop cooperation in various fields between them and their

armed forces on the basis of equality and mutual benefit and enhance the friendly and cooperative relationship between them to a new level.

Before the talks, Kinana presided over a grand military review organized in honor of Chi Haotian and his party.

Chi Haotian and his party flew here on 29 August at the invitation of Kinana to begin a six-day friendly visit to Tanzania.

#### **Meets Tanzanian President**

OW0209224894 Beijing XINHUA Domestic Service in Chinese 0656 GMT 1 Sep 94

[By reporter Pei Shanqin (5952 0810 0530)]

[Text] Dar es Salaam, 31 Aug (XINHUA)—Tanzanian President Mwinyi met here today with Chi Haotian, Chinese state councillor and defense minister, and had a cordial and friendly conversation with him.

President Mwinyi said to Chi Haotian: "Through more than 30 years of exchanges, we have realized that China is our true friend." He said: "When we score achievements, China feels happy for us, but when we meet with difficulties, China always extends its hands to help us."

He said: Over the past 30 years or so, China has provided Tanzania with massive economic and technological aid and helped Tanzania build many development projects, which are playing a positive role in Tanzania's economic and social development. He said: China has also made contributions to helping Tanzania building up its armed forces.

President Mwinyi expressed the hope that under the new situation, the two countries will continue to expand economic and technological cooperation through various methods and to consolidate and develop the friendly and cooperative relations between them.

Mwinyi also expressed appreciation for China's support for the national independence and liberation movement in Africa, particularly in southern Africa. He said: China's support and aid accelerated the victory of the national independence and liberation struggles in Zimbabwe, Angola, Namibia, South Africa, and other countries.

Chi Haotian and his party arrived here on 29 August to begin a six-day friendly visit to Tanzania.

#### **Tanzanian Premier Fetes Chi Haotian**

OW0309222694 Beijing XINHUA in English 2153 GMT 3 Sep 94

[By Pei Shanqin]

[Text] Dar es Salaam, September 3 (XINHUA)—Tanzanian Prime Minister and First Vice-President

John Malecela has invited Chinese companies and businessmen to invest in the country and to set up joint ventures with their Tanzanian counterparts.

Malecela said here today that there were vast opportunities for joint ventures between Tanzanian entrepreneurs and Chinese businessmen.

He was speaking at a luncheon he hosted in honor of visiting Chinese State Councillor and Defense Minister General Chi Haotian and his entourage.

Malecela said, "the relations between Tanzania and China are very good, are the relations between brothers."

However, he said, the world had changed economically and politically and Tanzania and China should adjust themselves to these changes.

He pointed out that at present the main task for Tanzania was to develop economy. Under these circumstances, he said, Tanzania and China should further strengthen the cooperations through every means possible in the economic and technical fields.

The prime minister thanked China for her assistance to Tanzania and cited the Tanzania-Zambia railway line as a living monument of cooperation between the two countries.

He said that the railway, also known as the Uhuru line, had lived up to its name. He recalled that after the democratization of South Africa, the first passenger train from Johannesburg rolled into Dar es Salaam through this railway recently with passengers from that country.

General Chi and his entourage arrived here on Monday [29 August] for a friendly visit to Tanzania.

While staying here, President Ali Hassan Mwinyi, Zanzibari President and Tanzanian Second Vice-President Salmin Amour met with General Chi and his entourage respectively.

After concluding their successful visit to Tanzania, they left here this evening for home.

#### **Tanzanian Premier Hopes For Stronger Ties With China**

OW0509205094 Beijing XINHUA in English 2025 GMT 5 Sep 94

[By Pei Shanqin]

[Text] Dar es Salaam, September 5 (XINHUA)—Tanzanian Prime Minister John Malecela said today that his country hoped to continue its efforts to further strengthen the existing friendly and cooperative relations with China.

Malecela made the remarks in an exclusive interview with XINHUA. He is expected to visit China on September 9-13 at the invitation of Chinese Premier Li Peng.

Malecela said that the relations between Tanzania and China were excellent, which had been built through common efforts from both sides over the past 30 years.

He pointed out that the international situation had changed economically and politically, at present, Tanzania's main task was to develop her economy. Under these circumstances, he expressed, Tanzania hoped to further strengthen and develop economic and technical co-operations with China.

He said that during the forthcoming visit to China, he, first of all, would invite Chinese companies and businessmen to come and invest in Tanzania. "Our investment policies provide room for direct investments or joint ventures," he added.

Meanwhile, Prime Minister Malecela highly commended China for her political stability and economic development. He said, China's reforms and open-door policies had provided with precious experience to developing countries. He noted that during the visit he would exchange opinions with Chinese leaders in order to learn China's experience to develop economy.

On the current world economic order, Malecela said that it was very unreasonable as the world market was not in favor of the developing countries. He pledged that Tanzania would continue making efforts along with all developing countries to have equitable world economic relations brought about as early as possible.

#### Premier Leaves for China

OW0609220794 Beijing XINHUA in English 2142  
GMT 6 Sep 94

[By Pei Shanqin]

[Text] Dar es Salaam, September 6 (XINHUA)—Tanzanian Prime Minister and First Vice-President John Malecela left here by air tonight for an official visit to China from September 9 to 13 at the invitation of Chinese Premier Li Peng.

A senior official from the Tanzanian Foreign Ministry told XINHUA at the Dar es Salaam international airport before the prime minister's departure that Prime Minister Malecela's tour to China was aimed at further strengthening the existing friendly and cooperative relations between Tanzania and China.

He said that while staying in Beijing, Malecela was expected to hold talks with Premier Li Peng. He would also meet with African diplomats based in Beijing and hold question-and-answer session with Tanzanians living in China, he added.

The prime minister's entourage includes the minister for water, energy and minerals, Jakaya Kikwete, the deputy minister for industries and trade, Nicas Mahinda, the principal secretary in the ministry of agriculture, Raphael Mhagama, and the director of Asia and Australia in the Ministry of Foreign Affairs, Eva Nzaro.

Prime Minister Malecela will make an official visit to [North] Korea from September 13 to 17, after concluding his visit to China.

Seeing the prime minister and his entourage off at the airport were the Tanzanian National Assembly speaker, Pius Msekwa, the minister of justice, Samuel Sitta, and the minister of state in the Prime Minister's Office, Anna M. Abdallah, as well as some other high-ranking officials.

Chinese Ambassador to Tanzania Xie Youkun and [North] Korean Ambassador Chang Won-ok were also at present.

#### Arrives in Beijing

OW0909043294 Beijing XINHUA in English 0352  
GMT 9 Sep 94

[Text] Beijing, September 9 (XINHUA)—John S. Malecela, Tanzanian prime minister and first vice-president, arrived here by air this morning on a five-day official visit to China at the invitation of Chinese Premier Li Peng.

Malecela visited China respectively in 1972 and 1974 as a foreign minister, and this is his first trip to China after he became prime minister.

Premier Li Peng is scheduled to host a ceremony in honor of Malecela and his party this afternoon. Afterwards, the two leaders will discuss the growth of bilateral ties and international issues of common concern during their talks to be held at the state guesthouse.

Greeting Malecela and his party at the airport were Zhang Hongren, chairman of the Chinese Government Reception Committee and vice-minister of geology and mineral resources, and Wang Changyi, assistant foreign minister.

Tanzanian Ambassador to China Seif A. Iddi and diplomatic envoys of some African countries in Beijing were also present.

#### Li Peng Meets Premier

OW0909141794 Beijing XINHUA in English 1348  
GMT 9 Sep 94

[Text] Beijing, September 9 (XINHUA)—Chinese Premier Li Peng and visiting Tanzanian Prime Minister and First Vice-President John S. Malecela today expressed their satisfaction with the long-standing friendly ties and cooperation between the two countries.

Li held talks here this afternoon with Malecela, who arrived here this morning on an official visit to China as Li's guest.

Li Peng said that since China and Tanzania established diplomatic ties 30 years ago, bilateral relations have grown steadily.



In the international affairs, he said that the two countries have sympathized with and supported each other and shared common views on many major issues.

Li said that China places great importance on its sincere friendship with Tanzania, hoping that the two sides will make concerted efforts to expand their cooperation in every field.

Noting a long-term basis of economic cooperation between the two countries, Li said that it is his wish that they will further such relationship in the spirit of equality and mutual benefit.

He stressed that the two sides should actively explore new ways for cooperation under the present new situation.

Bilateral economic cooperation should be undertaken in accordance with the international norms and regulations for trade, he said.

Malecela said the Tanzanian Government and people attach great importance to its friendship with China jointly built by the late Chairman Mao Zedong, Premier Zhou Enlai and former Tanzanian President Julius Kambarage Nyerere, and very much appreciate the support and assistance that China has offered for the African countries' national liberation and economic construction.

He said Tanzania is experiencing its economic reform and desires to further its friendly relations and cooperation with China in the fields of politics and economy on the existing basis.

Tanzania welcomes Chinese companies to run joint ventures and solely invested enterprises in the country and is willing to learn from China's management experience, he said.

On international situation, Li said that South Africa's racial political power has ended while new South Africa has joined the big family of Africa which he said represents the important progress in the situation of Africa and the rest of the world.

But, he said: "We should come to see that new hot problems have appeared continuously in Africa and economy in the region is very difficult and the task for peace and development is particularly outstanding which should arouse close attention from the world community.

"The developed countries should give more consideration for African countries' difficulties and make earnest efforts to improve the North-South relations," he said.

Malecela said after the end of the Cold War, power politics is still in vogue for a time. Some Western countries use democracy, human rights and economy to interfere in the internal affairs of the developing countries.

At present, he said that it is more important than any other time to stress the principles of non-interference in other's internal affairs in handling international relations.

Malecela briefed the Chinese premier on the present African situation and invited Premier Li Peng to visit Tanzania. Li accepted the invitation with pleasure.

The talks proceeded in a cordial and friendly atmosphere.

Afterwards, Li gave a banquet in honor of Malecela and his party.

Prior to the talks, Li presided over a welcoming ceremony for Malecela and his party at a plaza east to the Great Hall of the People.

### Rong Yiren Meets Premier

OW1009081094 Beijing XINHUA in English 0736  
GMT 10 Sep 94

[Text] Beijing, September 10 (XINHUA)—Chinese Vice-President Rong Yiren and Tanzanian Prime Minister and First Vice-President John S. Malecela today agreed that they will concert efforts to give an impetus to the growth of bilateral traditional friendship.

During a meeting with Malecela here this morning, Rong said that such traditional friendship has stood the test of time and drastic changing situation.

Over the past few years, he said, bilateral relations have further progressed and economic cooperation kept expanding with the frequent exchange of visits between the leaders of the two countries.

"We are willing to develop the Sino-Tanzanian traditional and friendly ties on the basis of the five principles of peaceful co-existence, and actively explore new ways and areas for cooperation," Rong stressed.

He said: "We very much appreciate the contributions that Tanzania, an important and influential country in East Africa, has made for national liberation in Africa and stabilizing the situation in the East-African region."

Malecela said that Tanzania and other African nations will never forget the sincere support and selfless assistance China has rendered to the national liberation and economic development in Africa.

Tanzania is very pleased to note that China's rapid development in the past decade has aroused worldwide attention, he said.

He went on to say that his country attaches great importance to the Tanzania-China relationship, expressing the hope that bilateral ties including economic cooperation will further expand on the basis of equality and mutual benefit.

Tanzania will learn from China's experience in reform and opening to the outside world in the course of cooperation with it, Malecela added.

This morning, Li Shuzheng, head of the International Liaison Department of the Chinese Communist Party Central Committee, called on the Tanzanian prime minister at the State Guesthouse.

### Premier Leaves Beijing for Chengdu

OW1109142294 Beijing XINHUA in English 0702  
GMT 11 Sep 94

[Text] Beijing, September 11 (XINHUA)—John S. Malecela, Tanzanian prime minister and first vice-president, left here this morning for Chengdu, capital of southwest China's Sichuan Province.

During their stay in Beijing, Malecela and his party toured a new technology development zone, a suburban township and the village for Asian Games.

### NPC Vice Chairman Meets With Zambian Parliament Delegation

OW0409145494 Beijing XINHUA in English 1326  
GMT 4 Sep 94

[Text] Beijing, September 4 (XINHUA)—Vice-Chairman of China's National People's Congress (NPC) Standing Committee Ni Zhifu met with Deputy Speaker of the Zambian parliament F. Chuula [name and title as received] here this afternoon.

Ni exchanged views on issues of mutual concern with Chuula, who is leading a delegation of the Zambian parliament.

The seven-member delegation arrived here yesterday at the invitation of the NPC Standing Committee.

### Qiao Shi Meets Zambian Parliament Delegation

OW0509132694 Beijing XINHUA in English 1303  
GMT 5 Sep 94

[Text] Beijing, September 5 (XINHUA)—Qiao Shi, chairman of China's National People's Congress (NPC) Standing Committee, met with Deputy Speaker of the Zambian Parliament F. Chuula here this afternoon.

Qiao expressed the hope that Sino-Zambian ties, experiencing smooth development in the past few years, would be further consolidated on the existing basis.

Chuula echoed Qiao's views, saying that his current China visit, following Zambian President Fredrick Chiluba's China tour last year, indicates that bilateral relations are progressing steadily.

Chuula mentioned that the Tanzania-Zambia railway, which was supported by China, has been a great help for his country.

Qiao also briefed the Zambian guests on China's economic development.

Ni Zhifu, vice-chairman of the NPC Standing Committee, was also present at the meeting.

The seven-member delegation arrived here last Saturday at the invitation of the NPC Standing Committee.

### West Europe

#### Jiang Zemin's Speech to French Businessmen

OW1209161994 Beijing XINHUA Domestic Service in Chinese 1023 GMT 12 Sep 94

[Text] Paris, 12 Sep (XINHUA)—PRC President Jiang Zemin delivered an important speech this morning on China's reform and opening up, Sino-French relations, and China's relations with the West European countries at a forum cosponsored by the Federation of French Employers, the Chamber of Commerce and Industry of Paris, and the France-China Committee. The speech reads in full as follows:

Honorable Mr. President Francois Perigot, Honorable Mr. Chairman Belna Gangbunake [name as transliterated], Honorable Mr. President Jean-Pierre Desgeorges, and ladies and gentlemen:

I am very happy to have the opportunity to meet with you—friends in French business and other circles—here during my state visit to your country at the invitation of President Mitterrand. I would like to take advantage of this opportunity to briefly introduce you to China's reform and opening up and also to express my viewpoints on China's relations with France and all West European countries. I hope it will contribute to enhancing your understanding of China's domestic and foreign policies.

Since they were initiated in 1979, China's reform and opening up have already covered a course of 15 years. During this period, we concentrated on economic construction and carried out reform and opening up to build socialism with Chinese characteristics. As a result, China has undergone profound changes.

China's reform began from the countryside. In the vast rural areas, we universally instituted a system of contracted responsibility based primarily on households with remuneration linked to output and vigorously set up and operated village and town enterprises. This has further emancipated and developed productive forces in the countryside. Since 1984, the emphasis of economic reform has been shifted to cities, and various reforms centering on enhancing state-owned enterprises' vitalities have unfolded one after another. To adapt to the needs of developing productive forces in the initial stage of China's socialism, we readjusted ownership structure; that is, we gradually transformed from an economic structure with unitary public ownership into a new ownership structure embracing diverse economic sectors

with public ownership as the mainstay and with all sectors developing together. In 1992, based on Comrade Deng Xiaoping's important thinking on economic reform, we specifically put forward the goal of establishing a socialist market economic structure, which constitutes a major leap in China's economic reform. The socialist market economic structure we are going to establish is one integrated with China's basic system of socialism. Its general requirement is: Based on a setup where public ownership and distribution according to work become dominant, supplemented by other economic sectors and distribution methods, market will play a fundamental role in the allocation of resources under socialist state macroeconomic regulation and control; economic activities will follow the law of value and adapt to changes in the relations between supply and demand to help promote continued development of China's productive forces. In light of this requirement, this year we have adopted a series of new reform measures in the area of finance, taxation, banking, price, foreign exchange, foreign trade, and enterprise systems. These reforms are proceeding smoothly. Developing a market economy in a socialist system is unprecedented in history. It is a brand new experiment and an invention. It is also an arduous and complex project of social engineering. We envision to initially establish a Chinese socialist market economic structure in the nineties, which, after several more years of endeavor, will become more mature and established in form. We will advance toward this goal step by step while constantly summarizing our experience.

In carrying out reform, we implemented the program of opening up to the outside world. Over the past 15 years, we have gradually created a pattern of opening up in all directions, at all levels, and in all forms that encompasses coastal areas in eastern China, areas along the Chang Jiang, border areas, and interior regions centered on provincial capitals. We have established five special economic zones, 32 economic and technological development zones, and 52 state development zones oriented toward new and high technology. The scope of opening up has expanded from primary and secondary industries to tertiary industry. China's investment environment for foreign businessmen has improved steadily. The system of providing services to foreign-funded enterprises has improved day by day, as have laws and regulations governing foreigners. From 1979 to 1993, 174,000 foreign investment projects were approved throughout the country, with actual foreign investment totaling \$63.9 billion. Of this amount, \$25.76 billion was actually utilized in 1993, the highest figure since the introduction of reform and opening up. The program of opening up to the outside world has played an important role in promoting China's economic development.

In advancing reform of the economic system, we have actively pushed forward reform of the political system, ensuring that the two will support and accommodate each other. To say that China only reforms its economic

system but not its political system is at least a misunderstanding, which may have arisen from a lack of understanding of specific conditions in China's reform or from different angles and methods of approaching the issue. China is a developing socialist country whose basic conditions and special development needs differ from those of many other countries. China must proceed from its reality if it wants to manage its affairs well. Although we should strive to learn from and draw upon all the useful things of foreign countries, we cannot indiscriminately imitate the economic and political models readily available from other countries. Whether it is reform of the economic system or political system, we should proceed from China's conditions and special needs and steadfastly follow our own course. Our purpose of reforming the political system is to build a socialist democracy with Chinese characteristics in accordance with the need to closely integrate democratization with the creation of legal institutions. Through reform of the political system, we should constantly consolidate and improve China's system of people's congresses at all levels, as well as the CPC-led multiparty cooperation and political consultation system. We should also reform and improve the country's leadership system and method by separating government and enterprise functions, streamlining party and government organs, changing government functions, and reforming the cadre system so as to help state organs increase their vitality and arouse the initiative of people in all quarters, especially at the grass-roots level. We have made noticeable progress in this respect. China's socialist democracy and legal system are evolving and improving, and the country's political stability and unity are being further consolidated, thus providing effective political guarantees for economic construction, reform, and opening up.

During the course of reform and opening up, we have consistently paid attention to properly managing the relationship between accelerating reform, developing the economy, and maintaining social stability. We have come to understand that we cannot further liberate and develop the productive forces without reform and opening up. Without maintaining an appropriate growth rate, it will be difficult to increase national strength and improve people's living standards. Without a stable social environment, it will be difficult to pursue reform, opening up, and economic development, with the result that discussion of anything will be out of the question. If instability and chaos arise in China whose population is nearly 1.2 billion, it will not only be an unfortunate development for the Chinese people but will also be disastrous for the world. In sum, reform is the driving force, development is the goal, and stability is the prerequisite. Any reform measure that we put forward is based on our full consideration of how the state, collectives, and individuals will cope, as well as the interests of all social sectors.

Reform and opening up have improved Chinese economy and raised the living standard of Chinese people of all nationalities to a much higher level. From



1979 to 1993, China's gross national product [GNP] grew at an average rate of 9.3 percent annually. Calculated in terms of constant prices, China's economy grew 2.78 times during the period. The world rankings of the outputs of some of China's major industrial and agricultural products have risen noticeably. As the economy has developed, the Chinese people's living standard has improved notably. From 1979 to 1993, taking price factor into consideration, the per capita income of China's urban and rural residents grew at an annual rate of respectively 6.3 percent and 8.5 percent on the average. China's economy has been more closely interwoven with world economy. Its import and export trade increased from \$24 billion in 1979 to \$195.8 billion in 1993, rising from the world's 32d to 11th. We may say that China's reform and opening up have forcefully boosted the country's economic development, and greatly contributed to its political stability, nationality solidarity, and social progress. Adhering to the policy of reform and opening up is a step that will decide China's fate and it is the only way for China to modernize itself and for the Chinese nation to completely rejuvenate itself. I would like to tell my friends once again that the Chinese people will unwaveringly follow this road. This is irreversible.

The three-step development strategy for China's modernization drive, set forth by Comrade Deng Xiaoping—the chief designer of China's reform and opening up—is being carried out step by step. The first step—to double in 1990 the country's GNP of 1980—has been accomplished ahead of time. The second step—by the end of the century, to again double the country's GNP and to enable the people to live a relatively comfortable life—is being carried out. From now to the end of this century, China's GNP is expected to grow at an average annual rate of 8 to 9 percent. Based on this development rate, the second-step goal also will be achieved ahead of time. The third step is, with the hard work to be done during the next few decades, to enable China's per capita output to reach the level of medium-developed nations by the middle of the next century, thus basically modernizing the country. We soberly realize that, compared with developed nations, China's development still lags far behind. We still have an arduous task to accomplish and a long way to go to modernize our country. But, we firmly believe that, with continuous efforts of few generations, we definitely will be able to achieve our modernization goals.

Because reform and opening up are a pioneering undertaking, we will inevitably encounter many new developments and problems. For example, how to strengthen the role of agriculture as the foundation of the national economy, how to improve state-owned enterprises' economic efficiency and gain new advantage for them, how the government can exercise and strengthen its macro-economic regulation and control over the country's economic activities, and how to gradually narrow the development gap between the coastal areas and the central and western regions—all these are important

issues currently facing us. We have accumulated many experiences in viewing and handling these problems pertaining to development, and we will continue to take all kinds of measures to properly solve these problems. We firmly believe that, under the guidance of Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics, the Chinese people will make full use of their existing material and technological resources and abundant experience in practice, will study and assimilate the civilizations of all countries, will insist on emancipating their minds and seeking truth from facts, and will boldly explore new spheres and endeavor to seek new progress; and the road of China's reform, opening up, and modernization will become increasingly broader. A prosperous and powerful China also will definitely make greater contributions to world peace, development, and progress.

Ladies and gentlemen, the world today is undergoing profound changes, with various forces breaking up and regrouping. The end to bipolarity has accelerated the process of multipolarization in the world. Although the international situation as a whole is moving toward detente, the world is not peaceful, with turbulence and unrest remaining one of the major features of the current international situation. The newly erupted disputes, conflicts, and even regional wars in Europe and other parts of the world have generally aroused widespread concern among people. Economic factors are playing an increasingly prominent role in international relations. The world economy is moving toward interdependence, regionalization, and the formation of economic blocs. Economic competition and trade frictions have intensified by the day. Economic development in the world is uneven, worsening the difficulties of many developing countries and escalating South-North conflicts. Peace and development remain the two major issues that the international community must solve urgently.

China has steadfastly pursued an independent foreign policy of peace and devoted itself to creating an international environment of long-term peace and stability. Peace and development are the goals toward which China is working. China is determined to safeguard its independence and sovereignty, opposes interference by foreign countries, advocates the peaceful resolution of international disputes, and opposes hegemonism and power politics in any form. It is willing to build and develop friendly relations and cooperation with other countries on the basis of the Five Principles of Peaceful Coexistence, to actively develop good-neighborly and friendly relations with neighboring countries, and to strengthen solidarity and cooperation with the developing countries. China has always been a reliable force for safeguarding world peace and promoting joint development. It is willing to work with people in other countries to build a new international political and economic order that is just and rational, and to lead mankind into the 21st century that is marked by peace, development, and prosperity.

Ladies and gentlemen, China has always attached importance to the development of its relations with France. France occupies an important status in China's foreign relations.

This year marks the 30th anniversary of the establishment of diplomatic relations between China and France. I am very glad to be able to pay a state visit to France on this occasion. I remember that 30 years ago, shortly after the two countries established diplomatic relations, I had the honor to visit your country for the first time as the deputy chief of the Chinese delegation to the 38th annual conference of the International Electrical Commission. I still entertain happy memories of that visit.

France was the first major West European country to establish diplomatic relations with New China. Here, we dearly cherish the memories of Chairman Mao Zedong, Premier Zhou Enlai, and General de Gaulle who made historic contributions to the establishment of diplomatic relations between the two countries. The historic decision that they made with the courage, insight, and foresight typical of great statesmen not only advanced the development of Sino-French relations but also positively influenced the world situation at that time.

Mr. Deng Xiaoping has always valued the friendship between the Chinese and French people. He has always followed with interest the development of relations between our two countries in today's complex and changing world. As a youth, he came to your country on a work-study program to find a way for national salvation. In 1975, he paid an official visit to your country as China's principal leader. He made important contributions to advancing the development of relations between our two countries.

Thanks to the tireless efforts by the leaders of our two countries and by people in all circles, the two countries have conducted fruitful cooperation in most of the years following the establishment of diplomatic relations. This is something to be happy about. Given its splendid culture, developed economy, and advanced science and technology, France exerts important influence over and plays an important role in international affairs. As the UN Security Council's permanent members with special responsibility for the development of the current international situation, China and France must continue to strengthen cooperation. The two countries complement each other in many areas of their economies. This has provided the two sides with tremendous possibilities for the further development of economic cooperation and trade. Our two countries have laid a good foundation for mutually beneficial cooperation in the economic and technological fields. During my current visit, the two sides also signed a number of new economic and trade contracts and agreements. There are broad prospects for development in these areas. I believe that as long as our governments and peoples continue to work together, Sino-French relations will keep moving forward and enter a new phase.

Ladies and gentlemen, I also would like to take this opportunity to say a few words about China's relations with all the West European countries. Over the last few years, China's relations with the West European countries, after a period of difficulty, have been restored to normalcy and have developed in a new way. Exchange of high-level visits between the two sides has increased rapidly, visits by personnel of each side to the other side have become more frequent, and the scope of economic and trade cooperation between the two has continued to expand—West Europe has become China's second largest trade partner. The total trade between China and West Europe neared \$30 billion in 1993, up 49 percent from the previous year, and an all-time high. The total trade in the first half of this year amounted to \$15.523 billion, an increase of 34.8 percent over the same period last year. At the same time, West European countries' investment in China has continued to increase, and new developments have been made in cooperation in the science and technological, cultural, educational, and other fields, between the two sides.

A poem of Zhang Jiuling, a noted poet of China's Tang dynasty, goes like this: "Friends know no geographical distance; they are just like neighbors even if they are 10,000-li apart." China and West Europe are located at the eastern and western ends of the Euro-Asian continent; although we are far apart from each other, we have many things in common. Both China and West European countries have made important contributions to the development of mankind's civilization, and today both are important forces in the world's political and economic setups. We all are concerned about and have endeavored to maintain world peace and stability, and have worked to promote the development and prosperity of the world economy. Both China and West Europe shoulder important responsibilities for the future of the forthcoming 21st century. These common points constitute a solid foundation for us to continue to develop friendly relations between us. Here I would like to briefly explain the four principles on which China develops its relations with the West European countries:

The first principle is to set eyes on the 21st century and to strive to develop long-term, stable, friendly, and cooperative relations. This is necessitated by the interests of the both sides, and it is also an important factor for promoting world peace and development. In developing cooperation between China and West Europe, we not only should set our sights on the present, but also on the future and the 21st century. We should endeavor to overcome all kinds of obstructions to enable our relations to always develop in the direction of friendship and cooperation.

The second principle is respecting each other and seeking common ground while putting aside differences. Although China and West European countries have different social systems and values, we have broad common interests. In handling state-to-state relations, China does not draw a line based on social system and

ideology. It always respects the rights of people of various countries to choose their own road to development. We are ready to increase cooperation and trust with West European countries on the basis of mutual respect. Let us refrain from doing anything that might harm the other side so that we will truly become equal partners getting along amicably.

The third principle is complementing and benefiting each other to promote common development. China and West European countries are important trading partners. We should bring out each other's advantages, learn from others' strong points to offset one's shortcomings on the basis of equality and mutual benefit, and widen the scope and raise the level of cooperation to help bring about all-round development of our economic and trade relations and achieve common prosperity.

The fourth principle is strengthening consultations and cooperation in international affairs. China and West European countries have identical or similar views and positions on many major international issues. As the world moves toward multi-polarity, it will become a basic trend that China and Western Europe play a more active role in international affairs. China is ready to further strengthen consultations and cooperation with West European countries through bilateral channels and in international organizations and will make greater efforts to speed up the establishment of a just, equitable new international, political, and economic order.

We sincerely hope that, with our joint efforts, China's relations with France and other West European countries will enjoy long-term, steady development, and make new contributions to world peace, stability, and development.

Thank you!

#### **Ties To Take 'New Turn'**

OW1209130694 Beijing XINHUA in English 1249  
GMT 12 Sep 94

[Text] Paris, September 12 (XINHUA)—Visiting Chinese President Jiang Zemin believes there is a broad vista for Sino-French cooperation, which will take a new turn and grow steadily through joint efforts.

"China has always attached importance to promoting ties with France, a country that occupies a prominent place in our external relations," Jiang said in an address to the French industrial and commercial circles here today.

President Jiang spoke highly of the historic contributions made by the late Chairman Mao Zedong, Premier Zhou Enlai, and General Charles de Gaulle to the establishment of diplomatic ties between the two countries, and praised Deng Xiaoping for his important contributions to promoting the development of Sino-French relations.

Through sustained efforts made by the two sides, "Our two countries have carried out fruitful cooperation most

of the time since the establishment of diplomatic relations" 30 years ago, the Chinese president said at a meeting jointly sponsored by the National Council of French Employers, the Chamber of Commerce and Industry of Paris and the France-China Committee.

"This is most delightful. France is well-known for her magnificent culture, a well-developed economy and advanced level of science and technology, and thus has an important role to play in international affairs," Jiang said.

"China and France, as permanent members of the United Nations Security Council with special responsibilities for the development of the present international situation, must continue to intensify their cooperation," he added.

"Economically, our two countries are highly complementary to each other, which means there is great potential for expanding trade and economic cooperation," Jiang continued.

He pointed out that "a good foundation has already been laid for mutually beneficial cooperation in the fields of economics and technology."

"During my current visit here, our two sides have signed a number of new contracts and agreements on trade and economic cooperation," he said.

"This shows that there is a broad vista for bilateral cooperation," he concluded.

The Chinese president expressed the belief that Sino-French relations will take a new turn and grow steadily as long as the two governments and peoples continue their joint efforts.

France is the last stop on President Jiang's current three-nation European tour which has also taken him to Russia and Ukraine.

#### **Views Economy's Development**

OW1209140494 Beijing XINHUA in English 1343  
GMT 12 Sep 94

[Text] Paris, September 12 (XINHUA)—Visiting Chinese President Jiang Zemin today predicted that China will have set up the general framework of a socialist market economy by the end of the 1990's.

"Then through another couple of years of efforts, we expect to see a system that is more mature and stable in all aspects," Jiang said in a speech here today to a meeting jointly sponsored by the National Council of French Employers, the Chamber of Commerce and Industry of Paris and the France-China Committee.

Looking back on China's economic restructuring over the past 15 years, Jiang described as "a major leap" China's decision in 1992 to set out in clear terms the goal of building a socialist market economy.



A series of new measures launched earlier this year in the fields of finance and taxation, banking, pricing, foreign exchange transactions and enterprise restructuring are being implemented smoothly, he said.

It is an arduous and complicated undertaking and an experiment that has no precedent in history, he noted.

As to political restructuring in China, Jiang pointed out, "To think that China is only reforming its economic structure and not its political structure is a misunderstanding caused either by a lack of knowledge of China's reform, or by a difference in perception and way of thinking."

China must always proceed from the situation in the country, he said. China wants to learn and benefit from all the useful experience of foreign countries, but will never copy or transplant foreign economic or political methods.

Thanks to political restructuring, the president said, "China's socialist democracy and legal system have been improved and the overall state of political stability and unity further enhanced, thus providing a sure political guarantee for the country's economic development, reform and opening."

"Along with reform, we have also opened our country to the outside world," Jiang went on.

Jiang said he is convinced that China's reform and opening, as well as its modernization, have a bright future.

"A strong and prosperous China will make a greater contribution to world peace, progress and development," the president concluded.

The Chinese president arrived here on Thursday [8 September] for a five-day state visit to France, the last leg of a three-nation European tour which has already taken him to Russia and Ukraine.

#### **Jiang Zemin, French Premier Call For Improved Ties**

*OW1209201894 Beijing XINHUA in English 1857  
GMT 12 Sep 94*

[Text] Paris, September 12 (XINHUA)—Visiting Chinese President Jiang Zemin and French Prime Minister Eduard Balladur said here today that they both wish to see better Sino-French relations.

During a meeting in the prime minister's office, Jiang told Balladur that China is positive toward expanding trade and economic cooperation with France on the basis of mutual benefit.

"China wishes to see bilateral economic and trade relations grow smoothly," said Jiang, who is to end his five-day state visit to France later today.

Noting that Sino-French relations have improved since early this year, Jiang pointed out that China's sustained, rapid and healthy economic development provides a good opportunity for closer cooperation in trade and economy between the two countries.

He said that with joint efforts, bilateral relations will become even better.

The president, who arrived here on Thursday [8 September], thanked France for its support to the restoration of China's contracting state status to the General Agreement on Tariffs and Trade (GATT).

He stressed that the restoration should only be based on the principle of rights and obligations.

"China is a developing country and can only carry out its obligations compatible to the level of its economic development," Jiang said.

"China needs GATT and GATT also needs China," the president pointed out, adding that it is conducive to both China and the whole world to restore China's contracting state status to GATT.

France and other member states of the European Union have backed China's efforts to regain its GATT membership.

Speaking on the same occasion, the French prime minister agreed that China and France should play a greater role in international economic and political affairs.

"As permanent members of the United Nations Security Council, France and China shoulder special responsibility in maintaining world peace and stability," said Balladur, who visited China in April.

Balladur added that he, as French prime minister, has been working to remove obstacles to better French-Chinese relations.

After his meeting with Jiang, Balladur hosted a luncheon for the Chinese president, who is here on his first visit as head of state.

France is the last leg of Jiang's three-nation European tour, which has also taken him to Russia and Ukraine.

#### **More on Meeting**

*OW1309021494 Beijing XINHUA Domestic Service in Chinese 1904 GMT 12 Sep 94*

[By reporters Zhang Youhao (1728 2589 3185) and Li Hongqi (2621 4767 2475)]

[Text] Paris, 12 Sep (XINHUA)— PRC President Jiang Zemin, who is on a state visit to France, met French Prime Minister Balladur around noon here today.

The talks were held at the Mateon [name as transliterated] Building, office of the French prime minister. Balladur extended a warm welcome for Jiang Zemin's

visit, saying that he was very glad to meet President Jiang Zemin after an interval of five months.

Balladur was very satisfied with his successful visit to China in April. He said: "I am very happy and honored to have made contributions to the restoration and development of French-Chinese relations. Both of us wish to see smoother development of Sino-French relations."

Jiang Zemin said: "I had very good talks with President Mitterrand. Consensus was reached between the two sides on a wide range of issues concerning bilateral relations and international affairs. Our visit has been going very well. Yesterday, I took a ride on France's high-speed train and visited a nuclear power plant, and the general assembly plant of the 'Airbus' Aircraft Company. I was deeply impressed."

Jiang Zemin pointed out: China is positive toward expanding trade and economic cooperation with France on the basis of mutual benefit. China wishes to see bilateral economic and trade relations grow smoothly. Sino-French relations dragged somewhat a few years ago. There is good momentum these days in regard to the improvement and development of Sino-French relations. China's ongoing sustained, rapid, and healthy economic development and the fact that our economies are mutually complementary provide a good opportunity and greater possibilities for closer cooperation in trade and economy between the two countries. He said: "I am confident that with joint efforts, prospects will be very bright for bilateral economic cooperation and trade."

Speaking of restoration of China's contracting state status to GATT, Jiang Zemin thanked France and the European Union for their support for restoration of China's GATT status. He said: Restoration should only be based on the principle of balancing rights with obligations. China is a developing country and can only carry out its obligations compatible to the level of its economic development. China needs GATT, and GATT also needs China. It is conducive to both China and the whole world to restore China's contracting state status to GATT. Be it GATT or the World Trade Organization, there would be a huge crack in its universality if China were not in it.

Jiang Zemin conveyed Premier Li Peng's regards to Balladur. Balladur expressed his appreciation and asked Jiang Zemin to convey his regards to Premier Li Peng.

Chinese vice premier and foreign minister Qian Qichen and French Foreign Minister Juppe were present at the talks.

After the talks, Balladur hosted a luncheon for President Jiang Zemin and his entourage.

#### **French Premier Hosts Luncheon Honoring Jiang Zemin**

*OW1309014494 Beijing XINHUA Domestic Service in Chinese 1514 GMT 12 Sep 94*

[By reporters Li Hongqi (2621 4767 2475) and Zhang Youhao (1728 2589 3185)]

[Text] Paris, 12 Sep (XINHUA)—French Prime Minister Balladur hosted a luncheon at the prime minister's residence today to warmly welcome President Jiang Zemin, who is on a state visit to France.

The banquet hall was bright and spacious, and fragrant flowers emitted their fragrance. President Jiang Zemin and Prime Minister Balladur, who had just concluded their talks, walked into the hall and took their seats arranged for the host and guest.

Balladur was the first to propose a toast, extending welcome to Jiang Zemin. He said the visit indicated that "close and friendly relations between France and China have entered a new stage." He hoped that cooperation in various fields between the two countries would be further strengthened.

He pointed out that France and China have a decisive influence on international political and economic affairs. The economic, scientific, technological, and cultural background of the two countries has made it possible for both sides to strengthen contacts and cooperation.

He said that as soon as he assumed the post of prime minister, he realized that it was necessary to eliminate the obstacles hampering the development of French-Sino relations, so as to make the level of bilateral relations match the two countries' status in the world.

He stressed that in order to further strengthen cooperation, both sides should deepen mutual understanding and strengthen exchanges and contacts, especially high-level contacts.

Touching on international issues, Balladur said both France and China, as a permanent member of the UN Security Council, bear special responsibility for safeguarding world peace and stability. The leaders of the two countries have reached a consensus on this point.

He held that through President Jiang Zemin's visit, France and China have established mutual trust, thereby creating conditions for effective and fruitful bilateral cooperation.

Replying to the toast, Jiang Zemin expressed his sincere gratitude for Balladur's warm hospitality and friendly speech. He said: "This is the fourth day of my state visit to France. We have been given a warm welcome everywhere, from Marseilles to Paris; from Bordeaux, the renowned home of wine, to Toulouse, the place where 'Airbus' aircraft are manufactured. We have felt the profound friendship of the French people for the Chinese people."

He continued: "A few days ago, I held talks and met with President Mitterrand and other leaders of your country. Today, I exchanged views with the prime minister on some important issues of concern to both sides. Through these discussions, both sides have enhanced their mutual understanding, and we hold identical or similar views on many major international issues. Both sides have a

strong desire to further develop the friendly and cooperative relations between the two countries. Through my visit, I deeply feel that there is great potential and broad prospects for the development of friendly and cooperative relations between the two countries. I am satisfied with the results of this visit, for the visit has achieved the expected objective of improving understanding, enhancing trust, and promoting cooperation."

Touching on China's domestic issues, Jiang Zemin said: "China's reform and opening to the outside world have marched on for 15 years. For China, the course it has traveled in these 15 years is an unusual course. In the course of advancing, we have been continually making explorations. We have made achievements that have attracted world attention. Today, China enjoys political stability, national unity, and sustained, rapid, and healthy economic development. The ancient Chinese nation is displaying unprecedented youthfulness and vitality."

He pointed out: "Although we may yet meet with many difficulties during our advance, we are fully confident of China's future. China's development cannot be divorced from the world, and the world also needs China for its development. The achievements China has made in its reform, opening to the outside world, and modernization drive have created good conditions for China to expand mutually beneficial cooperation with various countries of the world, including France. I am convinced friendly and cooperative relations between China and France will be further developed through the common efforts of the two sides."

Also attending the luncheon were Qian Qichen, vice premier and foreign minister; special assistant Zeng Qinghong; Chen Jinhua, minister of the State Planning Commission; Wu Yi, minister of foreign trade and economic cooperation; and Jiang Xinxiong, director of the State Atomic Energy Agency, who are accompanying Jiang Zemin on the current visit.

Juppe, French minister of foreign affairs, and Longuet, minister of industry and foreign trade, also attended the luncheon.

#### **City of Paris Extends Red-Carpet Welcome to Jiang Zemin**

*OW1209184894 Beijing XINHUA in English 1501 GMT 12 Sep 94*

[Text] Paris, September 12 (XINHUA)—Visiting Chinese President Jiang Zemin was accorded a red-carpet welcome today by the city of Paris on the last day of his five-day state visit to France.

Some 1,200 people, including personages from all walks of life in the city and diplomatic envoys based here, gathered at the seat of the municipal government to greet Jiang and his wife.

Parisian First Deputy Mayor Jean Tiberi and President of the General Council of Island of France Michel Giraud, extended warm welcome to Jiang and his wife on behalf of the 10 million local citizens.

Mayor Jacques Chirac, who is on a visit to France's overseas provinces, sent a message to Jiang, saying that the Chinese president's visit will add lustre to the French-Chinese friendship initiated by the late General Charles de Gaulle and Chairman Mao Zedong.

Giraud said Jiang's visit "marks a new stage in relations between the two capital cities and the two countries as well."

Tiberi expressed the hope that the friendly relations and cooperation between the two cities will enjoy healthy, all-round development.

Beijing and Paris became "friendly cities" in the 1980s.

Jiang, in his speech, praised the city's brilliant culture and its contributions to the civilization and progress of mankind.

Decades ago, Paris was also home to a great number of the Chinese revolutionary fore-runners, who studied and explored ways of saving their country, he noted.

In addition, Paris has been the gateway of Sino-French friendly exchanges since the two countries established diplomatic relations 30 years ago.

The Sino-French relationship now enjoys a "strong momentum" of development, he said.

Jiang called for efforts on both sides to further promote the friendly relations and mutually beneficial cooperation between the two cities and the two nations.

This, he added, is in line with the aspirations and interests of both China and France.

The Chinese president is on a three-nation European tour, which has already taken him to Russia and Ukraine.

He is scheduled to leave for home later today.

#### **Municipal Officials Welcome Jiang Zemin to Paris**

*OW1309053194 Beijing XINHUA Domestic Service in Chinese 1432 GMT 12 Sep 94*

[By reporters Liang Guihe (2733 6311 0735) and Wen Jihua (2429 4949 5478)]

[Text] Paris, 12 Sep (XINHUA)— Jean Tiberi, first deputy mayor of Paris, and Michel Giraud, president of the General Council of Isle de France, held a grand ceremony at the Parisian municipal government hall to warmly welcome PRC President Jiang Zemin.

When President Jiang Zemin and his wife Wang Yeping arrived at the municipal government building in the



Paris city center at 1130 in the morning. Tiberi and his wife warmly shook hands with them and introduced each of the municipal government's high-ranking officials to them.

The Parisian municipal government building had been refurbished with colorful decorations, and Chinese and French national flags fluttered in the wind. Some 1,200 Parisians from all circles gathered at the large, spacious, and brightly-lit municipal government hall to welcome China's honored guests.

The grand welcoming ceremony began with a military band playing the Chinese and French national anthems. First Deputy Mayor Tiberi and President Giraud spoke successively and extended a warm welcome, on behalf of 10 million Parisians, to President Jiang Zemin's first official visit to France.

Both Tiberi and Giraud expressed the hope that friendly cooperation between France and China, particularly between Paris and Beijing, will experience healthy and comprehensive development.

Paris Mayor Jacques Chirac, who is on a visit to France's overseas provinces, specially sent a welcoming message. He warmly praised President Jiang Zemin for adding new luster to the Sino-French friendship initiated jointly by General Charles de Gaulle and Chairman Mao Zedong with his visit. He pointed out: After going through numerous difficulties and dangers, China is standing firm and magnificently in the world. Today, China has leapt into the ranks of the world's economic powers through bold and resolute measures in reform and opening up.

Chirac stressed: China's thriving economic construction has opened up more extensive spheres for Franco-Chinese economic and trade cooperation. France and China very much treasure their individual national independence and share a unanimous stand or similar viewpoints on many major international issues. It is in the interests of the two peoples to strengthen Franco-Chinese friendly cooperation.

In his speech amid warm applause, Jiang Zemin said: "A group of Chinese pioneers came here to work and study hard at the beginning of this century to seek a way to save the nation. Since the establishment of Sino-French diplomatic relations, Paris has become the gateway to friendly contacts between the peoples of the two countries. Beijing and Paris became friendly cities in the 1980's, thereby further promoting relations between Paris and China. Paris has made major contributions to Sino-French friendly cooperation."

Jiang Zemin pointed out: The Chinese people are concentrating their efforts in the great undertaking in reform and opening up, and have achieved achievements that attract worldwide attention. China is economically developed, politically stable, nationally united, and

socially advanced today. China's development and prosperity will no doubt be conducive to world peace, stability, and development.

Jiang Zemin concluded: "This year is the 30th anniversary of the establishment of Sino French diplomatic relations, and the relations are currently developing well. I believe that under the current complex and changeable international situation, it is in compliance with the wishes and interests of the Chinese and French people to promote continued and forward development of Sino-French relations. Let us put in joint and positive efforts in this undertaking."

In a grand cocktail party held by the Paris municipal government after the welcoming ceremony, the hosts and guests repeatedly toasted each other for the new developments in Sino-French friendship.

Qian Qichen, vice premier and minister of foreign affairs; Zeng Qinghong, special assistant; Chen Jinhua, minister of the State Planning Commission; Wu Yi, minister of foreign trade and economic cooperation; and Jiang Xinxiong, director of the State Atomic Energy Institute, who accompanied Jiang Zemin on his visit, attended the welcoming ceremony.

#### **Qian Qichen Holds Talks With French Counterpart**

*OW1209200594 Beijing XINHUA in English 1997  
GMT 12 Sep 94*

[Text] Paris, September 12 (XINHUA)—Chinese Foreign Minister Qian Qichen and his French counterpart Alain Juppe agreed here today on the need for increased cooperation and consultations between their two countries in international affairs.

These include increased exchanges between the ministries of the two countries at various levels, the ministers said during a meeting, the third between them this year.

At the talks, Qian said the momentum toward further development of bilateral relations has been satisfactory since early this year when the traditional relationship between the two countries was restored.

Chinese President Jiang Zemin's state visit to France, Qian said, represents an upsurge in bilateral relations and will give a strong impetus to their further improvement and growth.

Juppe said he was glad to see that Sino-French relations had been put back on the normal track and were growing smoothly.

He said France was satisfied with President Jiang's current visit, which was quite a success.

The two foreign ministers also discussed other aspects of bilateral relations, and international issues.

Qian is accompanying Jiang on a five-day visit to France, the last leg of the Chinese president's three-nation European tour, which has already taken him to Russia and Ukraine.

Jiang is leaving here for home later today.

#### **Qian Interviewed by Reporters on Jiang's European Tour**

OW1309115794 Beijing XINHUA in English 1026  
GMT 13 Sep 94

[Text] Beijing, September 13 (XINHUA)—Chinese President Jiang Zemin's three-nation European tour has borne plenty of fruits and will produce an enduring and far-reaching impact, Chinese Vice-Premier and Foreign Minister Qian Qichen said today.

The visit constitutes a "breakthrough" in relations between China and the European countries, Qian told reporters on his flight home with the president.

The three-nation trip took Jiang to Russia, Ukraine and France from September 2 to 12. He returned home this afternoon.

For the first time, a Chinese head of state visited Russia and Ukraine, and for the first time in five years, a Chinese president set foot on the French soil, Qian said.

He pointed out that the visit highlighted China's economic and trade relations with the three countries and these relations have entered into a new stage of development, with economy as the foundation.

With the Cold War over, economic consideration has become an increasingly important factor in nation-to-nation relations and trade and economic cooperation represent a major component of China's links with the three European nations, Qian said.

The fast-growing economy in China is turning its huge market potential into reality, which has attracted more and more developed countries.

Effective trade and economic cooperation calls for sound political links, which must be developed under the precondition of mutual respect, equality and mutual benefit, seeking common ground while putting aside differences and getting rid of interferences, Qian continued.

On Sino-British relations, Qian said that these links were "quite good", and Britain occupied a prominent place in China's relations with Asian and European countries. This was especially so after the two sides reached an agreement on the issue of Hong Kong.

However, due to Britain's "erroneous" evaluation of the situation and the subsequent changes in its Hong Kong policy, the Sino-British relations were strained as a result.

China welcomes improvement of relations with Britain, but the improvement must be in all rather than in certain areas of bilateral relations, the minister stressed.

He also said that during the General Assembly of the United Nations to be start later this month, he will meet with British Foreign Secretary Douglas Hurd. "I hope the meeting will help improve our bilateral relations," Qian added.

On China's foreign policy, he said it is "all-dimensional", and China attaches importance not only to developed countries but also to developing ones, and to its neighbors in particular.

#### **More on News Conference**

OW1309064594 Beijing XINHUA Domestic Service in Chinese 0328 GMT 13 Sep 94

[By reporters Li Hongqi (2621 4767 2475), Liang Guihe (4731 6311 0735), Zhang Youhao (1728 2589 3185), Wei Jihua (2429 4949 5478) and RENMIN RIBAO reporter Zhang Liang [1728 5328]]

[Text] Paris, 12 Sep (XINHUA)— Vice Premier and Foreign Minister Qian Qichen, who is accompanying Jiang Zemin on his visit to France, held a news conference for Chinese and foreign journalists here on the evening of 12 September to brief them on the achievements of Jiang Zemin's visit, and answer their questions.

He said: President Jiang Zemin's 5-day visit to France has come to a successful conclusion. The visit is a major event in Sino-French relations and it was carried out under the circumstances in which a strong momentum of restoration and improvement of Sino-French relations has emerged since early this year. On 12 January 1994, the Chinese and French governments issued a communique that opened a new chapter in bilateral relations. In late January, I myself visited Paris. In February, French Senate President Monory visited China. In April, French Prime Minister Balladur made a successful visit to China. In July and early September, France's Minister of Industry and Foreign Trade Longuet and China's Minister of Foreign Trade and Economic Cooperation Wu Yi again had a fruitful exchange of visits. The current state visit by Jiang Zemin marks the culmination of this series of exchange of visits.

He stressed that during President Jiang Zemin's visit to France, the two sides unanimously agreed that they should develop sustained and stable bilateral relations on the basis of equality and mutual benefits, with an eye on the next century. The two sides signed 19 contracts, agreements, and letters of intent on trade and economic cooperation between involving 18.1 billion francs. Moreover, China also gave France a list of large projects that the French side may participate in or join in the bidding. Both sides agreed that the world is moving in the direction of multipolarization, a trend that is good for world peace and stability. As permanent members of the UN Security Council, China and France have influence

in the world. Enhanced consultations, coordination, and cooperation between China and France would be a major factor conducive to world peace and stability.

He pointed out: There has been a difficult period in Sino-French relations because of the Taiwan issue. Normalization of Sino-French relations has not come by easily and both sides indicated that they should cherish their relations.

It has been observed that 1994 is the year of Europe for China's diplomacy. Europe indeed takes up an important place in China's all-directional diplomacy. This year is a year in which China made major progress and breakthroughs in its relations with Europe. This shows that both China and Europe are aware that in the wake of the Cold War, the common interests between the two sides have increased, not decreased. The trade volume between China and the European Union stood at only \$29.5 billion last year. This indicates that there remains great potential for development of economic cooperation and trade between China and Western Europe.

He said that he is confident that so long as we adhere to the principle of respecting one another, seeking common ground while putting aside differences, overcoming obstruction, equality and mutual benefits, the prospects of relations between China and Europe look very promising.

Qian Qichen also answered reporters' questions at the news conference.

Answering a question on China's response to the readjustment of U.S. policy toward Taiwan, Qian Qichen said: The U.S. Government's policy readjustment in regard to the Taiwan issue violates its commitments contained in three Sino-U.S. joint communiques and it constitutes interference in China's internal affairs. China has lodged a strong protest with the U.S. Government.

Answering a question on why China refuses to renounce the use of force against Taiwan, Qian Qichen said that we do not renounce the use of force because of the following two scenarios: The first is that Taiwan may declare itself independent and split from China; the second is the event of foreign invasion of Taiwan. China's policy is peaceful reunification and one country, two systems. However, we reserve the right to use force to prevent the two aforementioned scenarios from happening. It is not directed against Taiwan and the Taiwanese people.

Answering a question on the situation on the Korean peninsula, Qian Qichen said: The situation on the Korean peninsula is stable these days. Progress was made recently in DPRK-U.S. talks on the Korean nuclear issue. The two sides are holding talks on relevant issues in Berlin and Pyongyang. China has consistently stood for the maintenance of peace and stability on the Korean peninsula and supported denuclearization of the Korean peninsula. China is ready to make due efforts toward that end.

Asked about the impact of improved Sino-French relations on China's relations with Europe, Qian Qichen said that improved Sino-French relations will help advance China's ties with Europe, and this is good for both sides.

### Nations Hope To Sustain Ties

OW1309080894 Beijing XINHUA in English 0735  
GMT 13 Sep 94

[Text] Paris, September 12 (XINHUA)—China and France agreed during President Jiang Zemin's visit here to look beyond this century and develop sustained and stable bilateral relations on the basis of mutual benefit, Chinese Vice-Premier and Foreign Minister Qian Qichen said today.

President Jiang's visit from September 8 to 12 was quite an event in Sino-French relations, Qian told a press conference here at the end of Jiang's five-day visit to France, the last leg of a three-nation European tour which has taken him to Russia and Ukraine.

During Jiang's stay here, Qian continued, the two sides had signed 19 contracts, agreements or letters of intent on economic and trade cooperation worth 18.1 billion francs (about 3.56 billion U.S. dollars).

In addition, China also offered France a list of major projects for which French companies can enter bids, the Chinese foreign minister added.

The two sides reached the consensus that the tendency towards multi-polarity in the world is conducive to global peace and stability and that an increase in consultation, coordination and cooperation between China and France would contribute to world peace and stability as both are permanent members of the UN Security Council and influential powers in the world, Qian said.

He pointed out that the two sides had agreed to treasure the hard-earned normalization of relations which had suffered setbacks because of the Taiwan issue.

He also said that Europe occupies a prominent position in China's foreign diplomacy, which demonstrated that both China and Europe have realized that their common interests have been further expanded instead of being reduced following the end of the Cold War.

The total value of trade between China and the European Union was only 29.5 billion U.S. dollars last year, which shows there is large room for development in their economic and trade cooperation.

Qian believed that there is a bright prospect for further developing Sino-European ties if both act in the spirit of equality, mutual benefit and mutual respect, seeking common ground while putting aside their differences, and getting rid of interference.

On a question about China's reaction to Washington's adjustment of its Taiwan policy, Qian said the move has



violated the U.S. commitments to the three Sino-U.S. joint communiques and has meddled in China's internal affairs. China has lodged a strong protest with the American government concerning the matter, he added.

When asked why China would not renounce a use of force against Taiwan, Qian answered that the decision is conditioned on two possibilities, one is that Taiwan declares independence and separates from China, and the other is that foreign forces invade Taiwan.

He said that China upholds the peaceful reunification of the motherland within the framework of "one country, two systems," and preserves the right to use force in order to prevent the said incidents from occurring.

But this is not directed against Taiwan and its people, Qian noted.

Asked about the issue of the Korean Peninsula, the foreign minister said the situation there now seems stable.

Recently, the DPRK and the U.S. have achieved progress in talks on the nuclear issue on the peninsula, and the two sides are holding talks on relevant issues in Berlin and Pyongyang.

China has always upheld the maintenance of peace and stability on the Korean Peninsula and supported the de-nuclearization of the region, he said, adding that China is willing to contribute to the realization of this object.

Asked about the influence of improving Sino-French relations on China's relations with Europe, Qian said the improvement in Sino-French relations will undoubtedly promote the relations between China and Europe, which is beneficial to both sides.

#### **Jiang Zemin Concludes Visit to France, Leaves for Home**

OW1309000594 Beijing XINHUA in English 2348 GMT 12 Sep 94

[Text] Paris, September 12 (XINHUA)—Chinese President Jiang Zemin left here for home after concluding a five-day state visit to France, the last leg of his three-nation European tour.

His plane left Paris at about 23:00 local time.

The Chinese president arrived in France Thursday [8 September], after an official visit to Russia and Ukraine on September 2-8.

During the stay here, the Chinese president held talks with his French counterpart Francois Mitterrand, and met with French government and parliamentary leaders.

During the talks, the two sides shared the view that their bilateral relations should be further strengthened with a view to the next century.

Jiang said his visit was designed to increase mutual understanding, build up trust, expand mutually beneficial cooperation and promote long-term and sustained development of bilateral relations.

On his part, Mitterrand highlighted the importance of French-Chinese ties, particularly trade and economic cooperation.

The two heads of state pledged vigorous efforts to boost the development of the bilateral relations.

Jiang's visit, the first ever by a Chinese president since 1989, marked significant improvement in relations between the two countries, which had been seriously strained after the 1992 sale of French jetfighters to Taiwan, a province of China.

During Jiang's visit, the two sides also signed a number of agreements on trade and economic cooperation between the two countries, whose economies are described as "complementary" to each other.

#### **XINHUA Reviews Trip**

OW1309084694 Beijing XINHUA Domestic Service in Chinese 2306 GMT 12 Sep 94

[By reporters Zhang Youhao (1728 2589 3185) and Liang Guihe (2733 6311 0735)]

[Text] Paris, 12 Sep (XINHUA)—PRC President Jiang Zemin successfully concluded a five-day state visit to France and left Paris for home on a special plane at 2300 local time on 12 September.

Gerard Longuet, French minister of industry, post, telecommunications, and foreign trade, bid farewell to President Jiang Zemin at the Orly Airport.

President Jiang Zemin arrived in Marseilles, the southern French port city, on a special plane on 8 September to begin his France's visit after concluding official visits to Russia and Ukraine. During his visits, Jiang Zemin held talks with French President Mitterrand and Premier Balladur, met with French politicians, as well as visited French nuclear plant and main assembly plant of European Airbus Industrie. In addition, China and France signed contracts and letters of intent totalling over 18 billion francs. It is of the public opinion here that the Chinese president's state visit will move Sino-French political relations as well as economic and trade cooperation to a new stage.

President Jiang Zemin's wife Wang Yeping; Qian Qichen, vice premier and minister of foreign affairs, and his wife Zhou Hanqiong; Zeng Qinghong, special assistant; Chen Jinhua, minister of state planning commission; Wu Yi, minister of foreign trade and economic cooperation; and Jiang Xinxiong, director of state atomic energy institute, returned home on the same plane.

**Li Lanqing Holds Talks With French Bankers***OW1209165394 Beijing XINHUA in English 1443  
GMT 12 Sep 94*

[Text] Beijing, September 12 (XINHUA)—Chinese Vice-Premier Li Lanqing met here today with a delegation from the group of Suez of France headed by Gerard Worms, chairman of the board of the group and of the Banque Indosuez, and Jean-Francois Lepetit, president of the Banque Indosuez.

As guests of the Bank of China, the French visitors are here to acquaint themselves with the economic situation in China and to explore new ways of expanding their business in China.

After visiting Beijing, Worms and Lepetit will go to Shanghai to preside over the conference of the board of directors of the Banque Indosuez to be held there.

**Latin America & Caribbean****Column Says Invasion of Haiti 'Dangerous Precedent'***HK1209102294 Hong Kong TA KUNG PAO in Chinese  
12 Sep 94 p 5*

["Political Talk" column by Shih Chun-yu (2457 0689 3768): "U.S. Acts Arbitrarily on Haiti Issue"]

[Text] The United States has made a series of moves and has assumed a ready-to-fight posture for days on end, and it seems that an invasion of Haiti is imminent. According to an assistant to Clinton, the United States will take action any time after the latter half of September.

**12 Warships Standing By**

At present, 12 U.S. warships have successively been put on combat readiness and are standing by in southeastern ports along the Caribbean Sea and the Atlantic Ocean with a view to marching on Haiti, which lies at the juncture of the Caribbean Sea and the Atlantic Ocean, at any time. In Puerto Rico, an island state near Haiti [as published], a 3,000-strong U.S. Army stationed there has vigorously conducted beachhead-dispersal exercises with live ammunition for several days, including how to quickly control a simulated U.S. embassy. These are definitely actual combat exercises aimed at invading Haiti.

The U.S. invasion will be carried out under the guise of UN authorization. According to Resolution No. 940 adopted by the Security Council in late July, the United States can "form multinational forces with unified command and control...and expel the Haitian military leadership by whatever means necessary." The resolution also demands that a 6,000-strong UN force should be sent to Haiti after the invasion.

**Mustering "Multinational" Troops With Difficulty**

The United States is acting on such a legal basis, but this cannot justify an invasion.

In Latin America, where Haiti is, most countries object to the United States' settling its disputes with Haiti by force and consider that much attention should be paid to their views on this issue.

The day before yesterday, the two-day summit of the Rio Group of 12 countries in the region ended in Brazil. The summit declaration pointed out when talking about the issue of democracy: A democratic political system should be consolidated through dialogue and cooperation on the basis of strict observance of the principles of non-interference in internal affairs and self-determination. These remarks were directed against the U.S. practice of giving itself the airs of a world policeman while flaunting the banner of the "defender of democracy." The summit also adopted a statement on the situation in Haiti, which, on the one hand, condemned the Haitian military government, but, on the other, emphasized the need to settle the crisis in a peaceful way.

One important reason why the United States could not take action immediately after securing UN authorization is that it failed to muster "multinational" forces.

After making efforts for weeks with combined threats and inducements, the United States could only gain the support of four small Caribbean island states—266 troops have been provided, but they will only be responsible for some noncombat support tasks. Canada, which is also in North America, has refused to take part in the operation and only agreed to dispatch peace-keeping personnel after the U.S. occupation is complete. In the whole of the Western Hemisphere, no power is willing to take part in the operation. The European allies have also declined.

**Setting a Dangerous Precedent**

An invasion of Haiti has not been well received even by the U.S. public. The reason is simple, that is, although Haiti is so near, everything that happens there neither

concerns U.S. interests nor endangers U.S. security. According to the latest public opinion polls, nearly 60 percent of Americans are against an invasion of Haiti. What Americans are most anxious about is that if the United States can dispatch troops and invade Haiti in the name of restoring "democracy," will there be any greater adventures? Former U.S. ambassador to the United Nations Jeanne Kirkpatrick wrote an article pointing out that if there are justifiable grounds for invading Haiti, there are a lot more countries which deserve a U.S. invasion.

Although the United States has not taken action yet, it should be pointed out that Security Council Resolution No. 940 is hazardous because it will set a dangerous precedent empowering certain countries to meddle in the internal affairs of other countries by force.

**Delegation Leaves For Cuba, Venezuela, Colombia**  
*OW0309093494 Beijing XINHUA in English 0751  
GMT 3 Sep 94*

[Text] Beijing, September 3 (XINHUA)—A Chinese goodwill military delegation led by Li Jing, deputy chief of general staff of the Chinese People's Liberation Army (PLA), left here today for a goodwill visit to Cuba, Venezuela and Colombia.

The delegation has been invited by the Armed Forces' joint staff of the three countries.

Among those to see the delegation off at the airport were General Xu Huizi, deputy chief of the PLA General Staff, Dong Liangju, director of the General Office of the PLA General Staff headquarters, as well as embassy officials and military attaches of the three Latin American countries in Beijing.



**Political & Social****Jiang Zemin Arrives Back in Beijing 13 Sep***OW1309091494 Beijing XINHUA in English 0901  
GMT 13 Sep 94*

[Text] Beijing, September 13 (XINHUA)—Chinese President Jiang Zemin returned to Beijing this afternoon by special plane after his visit to Russia, Ukraine and France.

Chinese Premier Li Peng, Chairman Qiao Shi of the National People's Congress Standing Committee, Vice-Chairman Liu Huaqing of the Central Military Commission and Vice-President Rong Yiren greeted Jiang and his party at the Great Hall of the People.

Jiang's entourage, Chinese Vice-Premier and Foreign Minister Qian Qichen, minister of the State Planning Commission Chen Jinhua and Minister of Foreign Trade and Economic Cooperation Wu Yi came back here by the same plane.

Among those greeting Jiang here were also diplomatic envoys in Beijing from the three respective countries.

**Li Peng, Chen Junsheng Inspect Flood Control Work***OW1209141494 Beijing XINHUA in English 1333  
GMT 12 Sep 94*

[Text] Beijing, September 12 (XINHUA)—Chinese Premier Li Peng today called for unremitting efforts to bring under control floods caused by big rivers and lakes.

During his three-day inspection of the work of harnessing the Yellow River at Luoyang City in central China's Henan Province, the premier said that it is the bound duty of governments at all levels to quicken the pace of tackling and developing rivers and lakes in order to promote what is beneficial and abolish what is harmful, and bring benefits to the people.

He said that efforts should be redoubled to keep up the practice of plain living and hard struggle to push forward China's water conservancy work.

Accompanied by State Councillor Chen Junsheng, and provincial party and government leaders, Li visited the Xiaolangdi Water-Control Project on the Yellow River and took part in the inauguration ceremony of the construction of the project.

In the 2,000 years before the founding of New China in 1949 the dykes on the lower reaches of the river, the second-largest in the country, had been breached more than 1,500 times, and the river course had changed 26 times, Li said, adding that people along the river suffered greatly from the disasters caused by frequent floods.

But he explained that since the birth of New China there has been no bursting of the river's banks, thanks to the efforts of the local government and people in bringing

the river under control. Water-control projects, including reservoirs, dams and dykes, have been built and a new anti-flood system has taken initial shape.

However, Li noted, the river is one of those that are likely to be blocked or choked by silt. The silting of the river has not yet been brought under control and the river bed on the lower reaches has continued to rise.

The premier pointed out that the construction of the Xiaolangdi Project is one of the steps the state has taken to speed up the harnessing of the Yellow River.

It is of great significance to China's socialist modernization drive, he said.

He also stressed the need for good co-operation between the central and local governments and between the relevant provinces since water-conservancy is a large, complicated time-consuming project that needs a huge sum of money.

The project is being built at a key point of the river, where the silt can be easily controlled.

Upon its completion, the project will be able to supply four billion cu m [cubic meters] of water yearly, and its power station will have a generating capacity of 1.8 million kw, with an annual electricity output of 5.1 billion kwh.

The preparation work of the project started in September 1991 and was checked and accepted by the government in April this year. About 10,500 people who lived on the construction sites have been properly resettled and migration from the reservoir area has also started.

Li said that this year over 20 provinces and regions across the country have suffered big losses due to disastrous floods and droughts.

As a result, the whole of society should enhance its sense of the seriousness of floods, and governments at all levels should strengthen their leadership of the construction of water-control projects, he concluded.

Li also visited 12 large and medium-sized state-owned enterprises in Luoyang during his tour of the province.

**Yang Shangkun on Guarantees for Stability, Hong Kong***HK1309104294 Hong Kong CHING PAO in Chinese  
No. 206, 5 Sep 94 p 48*

[Article by Chen Chie-hung (7115 3381 1738): "Yang Shangkun on Three Guarantees for China's Political Stability"]

[Text] Reports from Beijing say former Chinese president Yang Shangkun met and talked with senior mainland journalists in Beidaihe in early July on a wide range of topics, including his appraisal of the present central leadership, possible political developments after Deng

Xiaoping, Britain's motivation in changing its policy toward China, and his response to rumors about himself and Yang Baibing.

#### **Deng Said Third Generation of CPC Superior to Predecessors**

According to Yang Shangkun, he no longer attends to specific work since his retirement. But the CPC central authorities still show much respect for him, and other elders as well, and from time to time they are consulted on issues of importance. The elders all unanimously support the leading body of the third generation with Jiang Zemin as the core.

Yang Shangkun quoted Deng Xiaoping as saying that the current leading bodies, namely, the CPC Central Committee Political Bureau and its Standing Committee, are superior to the leading bodies of the 1950's and 1960's as they are more united and more democratic. Yang held that Deng is the most authoritative person to comment on this issue because he used to be general secretary of the CPC, and a member of the Political Bureau Standing Committee in the 1950's and 1960's before the Cultural Revolution. Western countries could not understand Deng's appraisal of the CPC leading body of the third generation. They have a persistent prejudice. Out of their strategic consideration against China, they constantly make and spread predictions that China will experience great turmoil and disintegrate after Deng Xiaoping's death. They hold out the vain hopes that China will finally become a country dominated by the West, Hong Kong will remain under British colonial rule, and Taiwan will be separated from China and become an independent state.

#### **Britain's Purpose in Changing Its Policy Toward China**

Yang cited Britain as an example. He said: Britain has changed its policy toward China, flagrantly violated the Sino-British Joint Declaration, and openly declared that the agreements and understandings reached between the two governments are not legally binding. Only hegemonists and colonialists who rely on hegemonism could break faith in this manner. All the Chinese people are well aware of what these people have been doing and will never forget it. China is no longer like the old China of the past, and the West should no longer indulge in such illusions. In dabbling in the political and economic plots in Hong Kong now, the British have three purposes: 1) to make the best of the last two years or so of their rule in Hong Kong to foster pro-British and anti-Chinese forces, and to keep local government and legislation under their control to extend British colonial rule and influence beyond 1997; 2) to stir up turmoil during the transfer of government and the initial period following the founding of the special administrative region government; and 3) to take the opportunity to expand economic projects and extend their franchises as much as they can at the present stage with a view to plundering as much money as they can before they leave for home. Yang believes that the British political plot will never succeed. After all, a

country's sovereignty and the stability of a country or region are the most important things. If China cannot properly govern the city of Hong Kong, how would China be able to prosper? Britain had better mind its own business at home! The British cabinet has been plagued by a series of scandals, the government enjoys less than 20 percent support, and the country faces a lot of problems.

#### **Three Guarantees for Political Stability in China**

Yang quoted Deng Xiaoping as saying: Foreigners have exaggerated my (Deng's) personal influence. How can I be so influential? Foreigners just do not know China well. Yang pointed out: The political situation in China is stable, and the economy will continue to grow at a pretty high speed. As far as this is concerned, we have got three guarantees—the line that is now being followed has been proved by practice to be correct; most people support the present line; the central party, government, and Army leadership is united; and members of the leading body have reached a high degree of consensus on all major domestic and foreign affairs, and they are soberly aware of existing problems and are seeking solutions.

#### **Clarifying Rumors About Himself**

Yang Shangkun also responded to reports about himself abroad. Overseas reports said he had retired after the 14th CPC National Congress because of differences of opinion and disputes between himself and Deng Xiaoping, and it was also said that he is a careerist. Yang said that, in fact, he had requested retirement since the 13th CPC National Congress, but Deng Xiaoping insisted that he should stay on in the leadership to assist in policy-making. Deng persuaded Yang to stay until the 14th CPC congress and let himself retire first. Yang also disclosed that on the eve of the 14th CPC National Congress, some people within the CPC suggested that Wan Li, Song Ping, and Yao Yilin should keep their positions, but they insisted that they should retire to let younger people replace them. Finally, Deng stepped forward to voice his opinion. Deng said: Wan Li, Song Ping, and Yao Yilin can certainly work for another term, but it would seem better if they retired and let younger people assume their duties earlier. And, after retirement, they still can work as consultants. Practice has proved that Deng's opinion is correct and represents deep insight.

It was also reported abroad that Yang Shangkun and Yang Baibing planned to stage a coup d'etat. Yang said this was simply a groundless accusation. He said he has called on Deng Xiaoping, Peng Zhen, and Wan Li from time to time since his retirement, and he also calls on Chen Yun when he visits Shanghai. When we old comrades get together we often recall life during the war years and talk about the latest developments in society, as well as our daily lives. If I had not retired, I would not have time to meet friends, he said.

**Li Ruihuan Speech at Minority Forum**

OW1209123194 Beijing XINHUA Domestic Service in Chinese 1104 GMT 8 Sep 94

["Excerpts" of speech by Li Ruihuan at a forum of minority figures from all walks of life in Beijing on 8 September]

**[Text] Beijing, 8 Sep (XINHUA)—Comrades and friends:**

That the State Nationalities Affairs Commission is hosting this forum prior to the 45th anniversary of the nation's founding is of great significance. Comrade Ismail Amat just now gave a briefing on nationalities work and on holding the second national commendation meeting regarding the unity and progress of various nationalities. Several other comrades also spoke. I was greatly inspired after hearing their speeches and would now like to express some of my opinions to my comrades.

**I.**

Nationalities work has always been a major task in China.

1. Nationalities work has a bearing on national unity. China is made up of 9.6 million square km of territory inhabited by 1.2 billion people from 56 ethnic groups. Every ethnic group is an indispensable member of this multinational family. The minority population in China, which is close to 100 million, is scattered throughout the country. Autonomous minority regions account for 64 percent of the country's total area. Therefore, we take unity among various nationalities as the basis of discussion on people's unity, territorial integrity, and national unity. In the absence of unity among various nationalities, China will lapse into turmoil and fragmentation and will no longer be what it is today.

2. Nationalities work has a bearing on social stability. Nationalities are the products of history. Differences between various nationalities exist in reality; where there are differences, there are conflicts. Ironing out these differences has always been a vital part of our quest for social stability. Both the past and present have repeatedly proven that the proper settlement of various conflicts in minority regions and harmonious relations between various nationalities will create favorable conditions for social and political stability across the country, and that national stability and unity will be affected if the situation is different.

3. Nationalities work has a bearing on economic development. When we talk about modernization, the improvement of overall national strength, and the realization of our strategic objectives in "three steps," we have in mind the entire Chinese nation which includes all minority groups. If minority regions are chronically in a state of economic backwardness, we cannot realize all of our grand notions. If these regions cannot develop

economically over an extended period of time, the developed regions will find it hard to maintain their momentum in economic development because of limited resources and markets.

4. Nationalities work has a bearing on the consolidation of border defense. The bulk of China's 21,000-km land border is located in regions where minority nationalities live in compact communities. It is 15,000 km long in just the autonomous regions of Inner Mongolia, Xinjiang, Tibet, and Guangxi. Only if we do a good job of building minority regions and further inspire the patriotic fervor of all nationalities to share the glorious duty of defending the country, can we build an impregnable bulwark along the border and protect the territory bequeathed by our forefathers from foreign invasion and encroachment.

5. Nationalities work has a bearing on the qualitative improvement of all people. Improving the overall quality of people in China is the basic requirement and condition for building a modern socialist country that is prosperous, strong, democratic, and civilized. We cannot speak of improving the Chinese nation's overall quality if we do not vigorously promote economic development and social progress in minority regions and earnestly improve the ideological, moral, scientific, and cultural standards of 100 million minority people.

6. Nationalities work has a bearing on thwarting the plots of foreign hostile forces. Ethnic issues increasingly demonstrate their important status in the political structure of today's world. Some countries have experienced turmoil, fragmentation, and disintegration largely as a result of ethnic problems. Foreign hostile forces are trying to contain and create confusion in China by sowing discord and driving a wedge between various nationalities. Only if we pay attention to and effectively carry out nationalities work, prudently and properly manage relations between various nationalities, and keep consolidating and expanding unity among various nationalities, can we seize the initiative and remain invincible in the complex international struggle.

**II.**

The main task of minority regions is to develop their economies and improve people's lives.

The economies of minority regions are indeed relatively underdeveloped. Although these regions have scored remarkable achievements in economic construction and brought significant changes to urban and rural areas since reform and opening up, they have generally failed to overcome economic backwardness. These regions, which were undeveloped in the first place, have developed at a relatively slow pace and are lagging further behind the rest of the country, especially the developed regions. Given their irrational industrial structure and product mix, and great financial troubles, minority regions cannot adapt themselves in the face of fierce market competition. Minority regions cannot harness



their strengths and tap their potential because of underdeveloped infrastructure, such as transportation, energy, and communications. We must fully understand the grimness and urgency of this situation, show strong determination, and devote great efforts to improving their economies. If we fail to do that, minority regions will lag further and further behind.

The lives of people in minority regions are generally quite difficult. Although the people's lives in those regions have improved significantly since reform and opening up, per capita incomes and living standards are still far short of those in coastal regions due to historical and practical reasons. Drinking water is a problem for some people living in arid desert areas, cold wet areas at high altitudes, and rocky mountains. For them, medical care and children's schooling are out of the question. In some respects, this state of affairs has arisen from practical reasons. These problems will be thoroughly solved over time. In other respects, this state of affairs has resulted from the indifference shown to people's hardship by some of our comrades, and from their failure to follow up on their discussions with relevant actions or to strive for tangible results in dealing with the problems. China is a country that practices the socialist system, and our party aims to serve people's interests. We should not feel at ease when people are suffering. The ultimate aim of our economic development is to improve people's lives. People can gain tangible material benefits and show strong motivation only if we mobilize them to work in a tireless and pioneering spirit. Only then can leaders gain prestige and inspire people's enthusiasm and creativity to develop the economy. Lives are improved in the course of economic development, which, in turn, is intended to improve lives. This correlation is of great immediate significance in minority regions where people still lead relatively hard lives.

The various tasks of minority regions constitute an interrelated whole. It is of great importance to implement nationalities and religious policies; to develop educational, scientific and technological, cultural, and public health services among minority groups; to cultivate minority cadres; to strengthen unity among various nationalities; and to safeguard social stability. We must make earnest efforts in this regard. All these tasks are consistent with the need to develop the economy and improve people's lives. Failure to pay close attention to and properly carry out these tasks will deprive us of a prerequisite and guarantee for economic development and the improvement of people's lives. On the other hand, it will be difficult to accomplish these tasks if the economy remains chronically undeveloped and if we fail to improve people's lives over an extended period. Practice has proven that backwardness and development in the economic arena can lead to similar situations in many areas. Minority areas should complete their tasks with the aim of developing their economies and improving people's lives.

### III.

The key to developing the economies of minority regions lies in the exploitation of resources.

We cannot quicken the pace of economic construction in minority regions without full support from the state and all forms of assistance from the developed regions. What is more, we cannot accomplish it if those regions do not rely on themselves and work hard for their own prosperity. Practice has proven that minority regions must chart a development course that is suited to their realities and capable of harnessing their strengths if they really want to overcome poverty and backwardness and achieve prosperity. For most minority regions, this course means the exploitation of resources.

Vast territory, small populations, and abundant resources are the distinctive features of minority regions. The per capita share of above-ground and underground resources in these regions is much higher than the national average. China's reserve farmland is primarily concentrated in minority regions, which also possess considerable coal, petroleum, and natural gas reserves. Verified reserves of various nonferrous metals represent from nearly one-third to more than half of national reserves. Water resources account for more than half of the national reserve. These regions have tremendous potential and vast prospects. An effective and reliable way to achieve economic development in minority regions is to make resource exploitation a strategy for economic development in those regions, and to expeditiously convert the resources there into practical economic strengths.

The state and developed regions should channel their support and assistance for minority regions toward exploiting resources. In helping minority regions exploit their resources, all industries and departments should take into account local economic development, try their best to employ local workers, increase local processing and utilization of resources, promote the development of local industries and infrastructure, improve local people's material and cultural lives, improve the ecological environment, and advance the development of various endeavors.

The development and construction of minority areas is of major strategic significance to the future development of the nation as a whole. Eastern coastal areas, which serve as China's industrial hub, have many advantages—in the areas of capital, technology, manpower, and management expertise. China will experience even greater development if we combine these advantages with the abundant resources of minority regions so that they supplement each other. Therefore, all the people who care about unity among various nationalities, national development, and the destiny of future generations should show concern for the economic development of minority regions and have a duty to contribute toward this end.

The nationalities policy that China has pursued since the founding of New China is correct and practical and

reflects the common wish of people of all nationalities throughout China. Our nationalities work has been successful. Comrades present at this forum are excellent leading exponents of various nationalities, and enjoy special, close relations with people of their nationalities. In the past, you did plenty of work to implement the party's nationalities policy and safeguard unity among various nationalities. In the future, we hope that you will continue to show concern for work in this regard. Let us make new and even greater contributions to further consolidating and constructing a large family of nationalities based on equality, unity, and mutual assistance; to promoting common prosperity among various nationalities; and to realizing the grand goal of China's modernization under the guidance of Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics and under the leadership of the CPC Central Committee with Comrade Jiang Zemin as the core. Thank you.

#### **CPC Central Official Hu Jintao Inspects Shandong**

*SK1309035794 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 12 Sep 94*

[Text] During his recent inspection of the work done in Shandong Province, Hu Jintao stressed the PRC had spent 16 years on conducting reform and opening up, and had accumulated extremely fruitful experience in building socialism with Chinese characteristics. Under the new situation, grass-roots levels and the masses have had many vivid creations. Integrating the deepening study of Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics with the summarization of practice and experience represents the demand for upgrading the leadership level and the level of the ruling government to further do a good job in conducting work and in consolidating and developing the fine situation.

Between 6 and 12 September, Hu Jintao, accompanied by Jiang Chunyun, member of the CPC Central Committee's Political Bureau and secretary of the Shandong provincial party committee; Zhao Zhihao, deputy secretary of the provincial party committee and governor of the province; Li Chunting, deputy secretary of the provincial party committee and vice governor of the province; and Li Wenquan and Han Xikai, deputy secretaries of the provincial party committee, successively made inspection tours to the cities of Yantai, Weihai, Jinan, and others. During these inspection tours, Hu Jintao went deep into villages and plants, and sponsored many forums with cadres at the grass-roots level in which they mutually discussed the issues of developing the local economy and conducting party building at the grass-roots level. He also visited farm households, visited veteran party members, carefully inquired about their living conditions, and listened to their opinions. In line with his knowledge gained during these inspection tours, Hu Jintao fully acknowledged the achievements made by Shandong Province over the past years in conducting

reform and construction. Particularly since the speech made by Comrade Deng Xiaoping during his inspection tour of the south and the 14th CPC Congress, Shandong Province has obviously accelerated its economic development; incurred massive changes in various fields; and maintained a good trend in development. Hu Jintao stated: The development and progress made by Shandong Province has shown that Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics and the party's basic line are totally correct; that party organizations across Shandong are strong, unified, and possess fighting strength; that the leading body of the provincial party committee is unified and coordinated, and is making concerted efforts; and that the province's party leading body is not only able to implement the party's line, principles, and policies, but is also good at integrating the successful implementation of the party's line, principles, and policies with local reality by proceeding from the province's situation.

Hu Jintao stated: The current international situation is favorable for us to conduct rapid and better development. Efforts should be made to seize the opportunity to objectively understand the new situation in an overall manner, to study the new plight, to deal with new problems, and to successfully conduct work in a down-to-earth manner. Meanwhile, attention should be paid to studying in advance and from a strategic angle the crucial issues restricting local economic and social development. When he learned the Nanshan enterprise group of Longkou had invested more than 20 million yuan in building the city's education center in order to train new-style personnel for enterprises, Hu Jintao praised them by saying this is the expression of strategic foresight. He emphatically pointed out: Paying attention to and successfully grasping scientific and technological progress as well as talented personnel development represents a strategic issue. Those who are aware of this issue early and grasp the issue earlier will be able to gain the initiative.

During his inspection tour, Hu Jintao stated: Since the enforcement of reform and opening up, our party has enforced the practice of allowing some localities to become wealthy in advance, and initially obtained the policy of mutually becoming wealthy. Coastal areas should achieve development as fast as possible, then take the entire situation into consideration so as to support the development of poor and backward areas by adopting more economic measures and by enhancing their lateral associations. Poor areas should be self-reliant, wage arduous struggles, and turn their strong points of natural resources into economic ones through neighborhood cooperation.

After hearing the briefing by the secretary of the Jusheng village party branch in Zhangqiu, Hu Jintao highly evaluated the successful method adopted by the village party branch for party building. He stated: The key to deepening reform to promote development and maintain stability lies in doing a good job in building the

party. In line with the center of economic construction, an excellent job should be done in conducting party building so as to promote economic construction. Emphasis should be placed on building leading bodies of party committees and branches. In particular, a successful election for the secretary of the party committee should be carried out. Efforts should be made to foster the contingent of party members having fighting strength, to enhance the work of recruiting party members from young outstanding intellectuals working on the first front, and to vigorously achieve new development in the construction of party organizations at the grass-roots level.

**Tian Jiyun: Economic Legislation 'Urgent Task'**

*OW1209132494 Beijing XINHUA in English 1245 GMT 12 Sep 94*

[Text] Beijing, September 12 (XINHUA)—Speeding up economic legislation and forming a complete economic legal framework has become an urgent task for China, a senior lawmaker said here today.

"Economic legislation over the next few years will determine whether the country's transition to a socialist market economy will be smooth and the operation of the new economic structure will be healthy," said Tian Jiyun, vice-chairman of the Standing Committee of the National People's Congress (NPC).

He was speaking at a theoretical symposium on the People's Congress system in China, which opened today.

The People's Congress system in China will greet its 40th birthday September 15 this year. Tian said the system represents the nature of the state.

It is helpful for the Communist Party in handling state affairs, and is the only route toward socialist democracy, he said.

He said the People's Congress work is an important component part of the work of the Communist Party and the state, which will never be weakened.

"And the national drive toward a socialist market economy now has set new demands for the development of the People's Congress system," he said.

The Standing Committee of the current Eighth NPC has put economic legislation at the top of its five-year lawmaking agenda, striving to finish the legal framework for the socialist market economic structure by the end of its term of office in 1996.

In its legislation plan, the committee will make laws mainly to regulate market components, maintain market order, strengthen macro-level economic control and beef up social security.

The Eighth NPC Standing Committee has issued the corporate law, the law against unfair competition, the law to protect rights and interest of consumers, the

foreign trade law and the budget law. It has also amended the economic contract law and the individual income tax law.

Tian said China, as a newcomer to the world of market economy, "needs to study the economic legislation results and experience of the developed countries systematically, and learn from them boldly, based on China's realities."

The vice-chairman also stressed the role of the NPC and its Standing Committee in supervising law enforcement.

He claimed that the Standing Committee has strengthened its efforts to supervise and inspect law enforcement in the country, and accomplished initial successes. But the situation is far from ideal.

He called for the people's congresses at all levels to spare no efforts in law enforcement supervision. Once major criminal cases are discovered in the inspection campaigns, they should be handed to jurisdiction bodies for severe punishment, Tian said.

Educating the public to abide by the law and maintain the authority of the law is another task the legislature is now facing, Tian said.

That will help to maintain the order and healthy operation of the market economy, and is necessary for the citizens to protect their own legal interests as well, Tian said.

**Government Denies 'Massive Arrests' in Beijing**

*HK1209151494 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1218 GMT 12 Sep 94*

[Text] Beijing, 12 Sep (ZHONGGUO TONGXUN SHE)—A Western news agency claimed on 7 and 8 September that a certain Zuo Feng, a person in charge of the Ministry of State Security in Beijing, had issued a statement to RENMIN RIBAO that, in order to ensure security for Chinese National Day, approximately 100,000 people have been arrested in six provinces and cities, particularly in Beijing Municipality, prior to the "1 October" National Day, and that the night markets in Beijing have all been shut down.

Our correspondent interviewed a concerned mainland department regarding the report and discovered that no person from the Ministry of State Security in Beijing had ever made any such statement to RENMIN RIBAO; there was no person by the name Zuo Feng; much less were there the alleged massive arrests; and the above-described news dispatched by the Western news agency was pure fabrication.

The concerned department also said that the mainland is enjoying political stability and economic prosperity and people throughout the nation are anticipating the 45th National Day with outstanding achievements and joy. By willfully inventing such lies, some Western news agencies obviously wanted to debase and tarnish China's



international image. Ironically, they have only succeeded in betraying their clumsy and ineffectual methods and their corrupt journalistic ethic.

### **'Succession Crisis' Feared in Official Protestant Church**

*HK1309060294 Hong Kong SOUTH CHINA MORNING POST in English 13 Sep 94 p 10*

[By Daniel Kwan]

[Text] A succession crisis is looming in China's official Protestant church after the death of Bishop Shen Yifan last month, Christian sources say.

Bishop Shen, 66, was the general-secretary of the Christian Council of China. He died of heart failure while swimming in Weihai in Shandong province last month.

He was widely regarded as the natural successor to the 79-year-old Bishop Ding Guangxun who heads both the Three-Self Patriotic Movement (TSPM) and its twin body, the Christian Council.

"I don't see any outstanding person who can succeed Bishop Ding Guangxun at this moment," the editor of Bridge magazine in Hong Kong, Deng Zhaoming, said.

Although Bishop Ding is known to be in fairly good health, authorities are believed to be searching for suitable candidates to take over the helm from him.

The Reverend Chen Zemin, a leading authority on theology in China and disciplinary head of the Nanjing Union Theological Seminary, was tipped to take over from Bishop Shen but was unlikely to make a double-leap to succeed Bishop Ding, sources said.

Christian sources said another problem plaguing the Protestant Church in China was the fast fading authority of the TSPM—the officially sanctioned church.

They said that in recent years, the TSPM not only had problems mediating between local churches and government departments, but also often had trouble working with the religious affairs bureaus in local areas.

The failure to find a suitable successor could further hamper the prestige and authority of the TSPM, sources said.

Although Bishop Ding is known to have put a great deal of effort into promoting young pastors and church leaders, none are considered eligible to take over the leadership.

Sources said two vice-presidents of the Christian Council of China were most likely to take over from Bishop Ding after the untimely death of Bishop Shen.

Although the two, Cao Shengjie and Han Wenzao, have not yet been appointed pastors, the sources said both were considered reliable by the authorities.

One of the few fundamentalists who have joined the TSPM, Ms Cao is considered a respected religious figure in China.

Mr Han is believed to be a church functionary with a conservative reputation among mainland Christians.

Among the younger candidates, the Reverend Pan Cuian of the Nanjing Union Theological Seminary, and the Reverend Gao Ying of the Chongwenmen Church in Beijing, were said to be the front-runners.

But according to a knowledgeable source, neither of them had a good chance.

The exiled religious leader, Zhao Fusan, a former vice-president of the China Academy of Social Sciences, is said to be the "dark horse" waiting in the wings.

### **Archbishop Carey Comments on Christianity, Persecution**

*HK1309060494 Hong Kong SOUTH CHINA MORNING POST in English 13 Sep 94 p 10*

[By John Kohut in Beijing]

[Text] The Archbishop of Canterbury, Dr George Carey, yesterday called for greater religious freedom in China but stopped short of publicly condemning the persecution of Christians belonging to underground churches.

"We are already meeting authentic Christianity and authentic Christian leadership," the head of the Anglican church enthusiastically said in Nanjing, the former imperial capital in eastern China.

"I do believe Christianity should be allowed expression in any society," said Dr Carey, who arrived in Nanjing on Sunday for a four-city, 11-day tour.

But Dr Carey, obviously careful not to offend the official Protestant Church hosting his first visit to China added: "No Christian should go against the law."

Asked if he had raised the question of religious persecution during talks with authorities, Dr Carey said: "We have to find out what are the issues."

"I have not heard direct complaints made to me," he said, adding that "there will be opportunities to talk at different levels to religious officials and government officials".

As he had done in a sermon in Hong Kong on Sunday before coming to Nanjing, Dr Carey called for evangelisation that respects the different circumstances of Chinese society.

"In the West we have much to learn from the way in which Chinese Christians have set aside that colonial aspect of the work of missionaries and have developed an authentically Chinese Christianity" he said in a discourse at a theological seminary in Nanjing.

Meanwhile, Beijing police have released the head of a church committee after detaining him on Sunday following a government-church dispute over property, but some of the parishioners are still being kept under surveillance.

Li Dequan, head of the Gang Au church committee in Beijing, said he was released at about noon yesterday.

Mr Li was detained for questioning because he had headed the Gang Au Church's efforts to reclaim a small piece of property taken away from the parish during the Cultural Revolution.

Mr Li, contacted by telephone, said he was feeling weak. He was reluctant to go into detail.

### **Dissident Gao Yu To Be Charged Again 'Very Soon'**

HK1309063994 Hong Kong HONGKONG STANDARD in English 13 Sep 94 p 6

[By Amy Liu]

[Text] A Beijing court will soon put dissident Gao Yu on trial after prosecutors have established new evidence against the journalist for allegedly leaking state secrets to foreigners.

"As far as I know, Gao Yu will be charged again very soon," Tsui Sze-min, publisher of the China-watch magazine, THE MIRROR, which is said to be involved in the case, said.

However, Mr Tsui, who returned from Beijing early this month, denied yesterday that his magazine had any connection with the case. "Nobody has informed me the problem is related to my magazine," he said.

While acknowledging that Gao had been a contributor to his magazine, Mr Tsui said Gao's articles published in his magazine were not sensitive at all.

Mr Tsui, who is also a local Chinese People's Political Consultative Conference (CPPCC) standing member, [as published] said he had difficulty in helping her, even though he was her close friend. He said Gao's case could not be compared with that of Xi Yang.

Xi, a reporter from the local MING PAO daily newspaper, was given a 12-year jail sentence for reporting "state secrets".

"Xi is a Hong Kong resident while Gao is a mainland journalist," Tsui said.

Gao's case was heard in court during a secret trial in April. But a spokesman for the Beijing Intermediate People's Court admitted later that the case was incomplete. The court has ordered prosecutors to find more evidence to support their charge.

Gao's husband, Zhao Yuankang, yesterday urged the Chinese authorities to release her immediately as she has been detained for almost a year without enough evidence to charge her.

He expressed outrage after a duty official would not let him take medicine to his wife, who has a serious heart condition.

"How can the official be so inhuman to forbid sending medicine to a dying woman?" he asked.

He said he had only been allowed to meet his wife once this spring following her detention on 2 October last year, adding that lawyers were also banned from meeting her.

Gao, 49, a former deputy editor-in-chief of the banned ECONOMICS WEEKLY, was jailed for about one year for her role in the 1989 pro-democracy movement.

—A dissident's wife yesterday said police had finally confirmed her husband was in custody, more than three months after they took him away in handcuffs.

Chu Hailan said she received the verbal confirmation on Thursday, but police had refused to give her any other information about her husband, Liu Nianchun, who was arrested on 28 May.

Liu was among at least 17 dissidents in Beijing and Shanghai who have been arrested or have disappeared since February. In most cases, families were not notified, in violation of regulations.

### **Enterprise Reformers Face Retaliation From Grass Roots**

HK1309055994 Beijing ZHONGGUO QINGNIAN BAO in Chinese 5 Sep 94 p A3

[Article by Xi Ling (6459 7227): "Black Hand Is Stretched Toward Reformers..."]

[Editorial report] Beijing BEIJING QINGNIAN BAO on 5 September 1994 carries, on page A3, a 4,500-character feature entitled "Black Hand Is Stretched Toward Reformers..." This feature, by Xi Ling (6459 7227), cites five cases to illustrate a common social phenomenon as a consequence of the reform currently in full swing in China, which, as an unprecedented cause in China, has offended some vested interests, thus inviting retaliation against the reformers.

At about 1700 [0900 GMT] on 24 March 1993, Yuan Zhanggao, director of the Jiangshan City Meat and Egg Processing Plant in Zhejiang Province, was assaulted by three men outside the plant when he was leaving his office after work. He was seriously wounded. Investigations conducted by the Jiangshan City Public Security Bureau revealed that the three men were thugs who had been hired by six woman workers from the meat and egg processing plant who had grievances against the plant director because the latter had penalized or demoted

them for slackness, dereliction of duty, or other reasons. The three hired thugs and the six workers were arrested and sentenced to imprisonment in mid-December 1993.

The second case took place on 28 August 1992. Wang Yinxiu, a primary school teacher in Qidong County, Hunan Province, was assaulted by a ruffian on her way home after visiting the county education commission. The ruffian splashed sulphuric acid on Wang's face, leaving permanent scars. Wang's husband, Kuan Yuguo, is the director of the Qidong County Cement Plant in Hunan Province. He was said to have taken strong disciplinary action against some workers when he started a reform to save the plant which had been running at a loss for quite a while. After the assault on his wife, Kuan Yuguo received a phone call and an anonymous letter warning him not to "run amok." Then, in April 1993, Kuan was beaten up by three ruffians in his office. However, the one who assaulted Kuan's wife still remains at large, 18 months after the incident.

The third case happened on 8 September 1993. Three men were shot dead around 1540 in a room on the eighth floor of the office building of the Zunyi Prefectural Material Supply Bureau, Zunyi City, Guizhou Province. The three men killed in the incident were: Zhong Guicheng, director of the material supply bureau of Zunyi Prefecture and deputy secretary of the party branch of the bureau; Wu Junming, manager of the Zunyi Prefectural Metal Recycling Company, secretary of the party branch of the company, and member of the party committee of the organizations directly under the prefectural material supply bureau; and You Fuyong, former secretary of the party branch of the prefectural Metal Recycling Company. Investigations indicated that You Fuyong was the murderer, shooting the other two dead with a pistol and then committing suicide. It is said that You Fuyong had been on unpaid leave after his failure in an attempt to seize financial control at the metal recycling company. He had also got into debt as the private material supply company he owned was in poor financial condition. He had repeatedly asked for loans from the prefectural material supply bureau but his requests were repeatedly turned down by Zhong and Wu. Because of his strong grievances against Zhong and Wu, You murdered his two former colleagues and committed suicide.

The fourth case took place in Shunyi, Beijing, on 26 August 1993. Zhu Changhai, director of Shunyi Textile Auxiliary Plant, when arriving home discovered his wife Su Yanqiu in the bathroom, naked and brutally murdered. Investigations showed that the murderer was Li Aichun, a 23-year-old worker and colleague of Zhu who had been discharged from his position as a result of the organization optimization project initiated by Zhu in his plant. Li broke into Zhu's house at dawn on 26 August, robbed Zhu's wife of 200 yuan and then killed her with a knife.

The fifth case concerns a forged letter of complaint signed by 220 staff members and workers in the

Hengyang Brewery, Hunan Province. The letter was received by officials-in-charge of the Hengyang City CPC Committee, People's Congress, Government, and other departments concerned in November 1992. The letter charged Ouyang Zhenfen, director and party committee secretary of the brewery, with a dozen wrongdoings and strongly demanded that he be discharged from his post. The charges were so sensational that the case caused a furore in the city, since the 220 co-signers of the letter accounted for one-third of all the staff and workers in the brewery. However, thorough investigations revealed that most of the charges were false and the rest were irrelevant. The real authors of the letter were four brewery workers who had grievances against the director because the latter had refused to practice favoritism toward them. The four workers drafted the letter and deceived other workers into signing what they thought was an appeal which had nothing to do with the false charges at all. The report does not mention what actions were taken against the four workers who forged the letter of complaint.

#### **Report Says 100,000 To Attend National Day Celebration**

*OW1209165294 Beijing XINHUA in English 1314 GMT 12 Sep 94*

[Text] Beijing, September 12 (XINHUA)—Some 100,000 people are expected to attend the gala celebrations in the Tiananmen Square here on the evening of October 1 to mark the 45th anniversary of the founding of the People's Republic of China.

This was revealed by the preliminary working committee for the celebrations of the coming National Day.

A total of 80,000 people from the Chinese capital will give group dance performances, and art workers from across the country will also perform at the gala, during which more than 300 varieties of fireworks will be set off.

The group dance performances will include both modern and traditional national minority dances.

Workers, farmers, students and staff members of government institutions have been organized to practise mass dancing since July.

There will be rehearsals on the eve of the coming National Day.

#### **Li Peng Attends Xiaolangdi Dam Opening**

*OW1209143494 Beijing XINHUA in English 1339 GMT 12 Sep 94*

[Text] Zhengzhou, September 12 (XINHUA)—Construction of the multi-million U.S. dollar Xiaolangdi Water-Conservancy Project, the second-largest of its kind in China, started today after more than two years of preparation.



Li Peng, member of the Standing Committee of the Political Bureau of the Communist Party of China (CPC) Central Committee and Premier of the State Council, and State Councilor Chen Junsheng attended today's start-up ceremony.

Located about 40 km north of Luoyang City in central China's Henan Province, the dam is the second-biggest of its kind after the one at the Sanmen Gorge, which is also in Henan Province.

The project, which is expected to control water on 694,000 sq [square] km of land, about 92.3 percent of the Yellow River Basin, is a comprehensive one integrating control of floods, ice jams and sedimentation reduction as well as irrigation and electricity generation.

The flood control standard on the lower reaches of the Yellow River will be markedly improved, and floods and ice jams, which usually plague that part of the river in spring will be brought under control when the project is completed, officials from the Ministry of Water Conservancy said.

Meanwhile, the project will reduce the silt flow to the lower reaches of the Yellow River and add four billion cu m [cubic meters] to the water supply each year. Irrigation and urban water supply will be greatly improved in the river valley by then.

With a total installed capacity of 1.8 million kw, the project will also generate 5.1 billion kwh of electricity annually.

Since preparatory work started on September 1, 1991, the project has completed 13 pre-stage projects at the cost of 1.299 billion yuan, which were completed and approved by the state early this year.

According to officials, the preparatory work involved moving 21.22 million cu m of stone and earth work, and 170,000 cu m of concrete.

Besides the early-stage construction projects, a number of major framework construction projects have been built and 10,500 people have been moved to resettlement areas during the two years.

The Xiaolangdi Dam will be 154 m high and 1,317 m long. It will involve a dam of 50 million cu m in total volume and a 82-m concrete seepage-prevention wall, nine flood-discharging and sand-removal holes and two spillways. Six water-diversion holes used in electricity generation will also be built.

The total construction volume of the major framework, which will be completed in eight years, will involve 83 million cu m of earth and stone work, and 2.7 million cu m of concrete, according to experts.

As a massive water-conservancy project which demands complicated technology, the Xiaolangdi project was given approval by the central government to use World Bank loans.

In April 1994 the World Bank board of directors approved loans for the project, with 570 million U.S. dollars for the first phase construction. The entire project is expected to make use of 1.166 billion U.S. dollars, Chinese officials present at today's ceremony said.

## Science & Technology

### Column Views Development of Electronics Industry

HK1309113294 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 5 Aug 94 p 1

["Footmark of the Republic" column by staff reporter Zhang Pingli (1728 1627 0500): "Unique Development of Wisdom—Account of Development of China's Electronics Industry"—first paragraph is RENMIN RIBAO editor's note]

[Text] The PRC will celebrate its 45th anniversary on 1 October this year. Since its birth, especially since the commencement of reform and opening up, the young republic has seen world-shaking changes under the leadership of the CPC, and through the joint efforts of the people of all our nationalities, we have opened up new vistas for building socialism with Chinese characteristics. Our overall national strength has increased significantly, the people's livelihood has improved, and our international status is steadily rising. A new socialist China which stands towering like a giant in the East is advancing in big strides toward an ever brighter future. In order to fully demonstrate the illustrious history of New China in the 45 years since its founding, especially in the 16 years since the commencement of reform and opening up, and in order to demonstrate its brilliant achievements on various fronts and in various spheres and localities, we are opening this new column—"Footmark of the Republic"—to greet National Day. We hope it will be welcomed and supported by readers both at home and abroad.

For the Chinese, the time when they did not have televisions, hi-fi, or telephones seems so distant now. Computers are making big strides into the Chinese family.... They now live in a day and age of mobile telephones, electronic pagers, hi-fi systems, karaoke machines, laser products, mainframe computers, mini-computers, desktop publishing, multi-media technology and systems, the "information superhighway", and so on. Today, ever-changing and improving electronic technologies and products are penetrating every sphere and corner of Chinese society at an amazing speed, and China is beginning to look more and more like an "electronics world."

People have probably forgotten the disheartening picture 45 years ago when New China took over from old China a virtually non-existent electronics industry. The 11 small electronics factories, with a total workforce of several thousand, relied on imported parts to provide

repairs for the pitifully small number of radios and communications equipment in the country. That was the infamous record handed down by the dark regime in its last days. Today, 45 years on, the electronics industry of the PRC is growing at an annual rate of nearly 30 percent to become a modern industry with a total output value of 175 billion yuan and total exports of over \$8.1 billion. Since the commencement of reform and opening up, its output value, profits, and tax revenues have increased nearly seven times. The gap with the developed countries has been greatly reduced, and the electronics industry has become the fastest growing sector of the Chinese economy. During the historical tide when the world economy is changing from an industrial economy to an information economy, China's electronics industry, as the mainstay of the information economy, is shouldering the strategic mission of realizing the said transition in China. In the development of this industrial civilization, the republic is demonstrating her unique wisdom.

The electronics industry of the republic went through an unusual course of development between its inception and the 1960's.

- In the early 1950's, we designed our own short-wave and ultrashort-wave radios despite extreme difficulties resulting from the War to Resist U.S. Aggression and Aid Korea, and managed to basically satisfy the needs of the domestic market for communications equipment.
- In 1956, we developed China's first germanium-alloy transistor. In 1958, we produced, for the first time, a vacuum-tube computer, a 1000-kw medium-wave transmitter, a 10-channel television transmitter, and a black-and-white television set. We were also able to produce radios in large quantities using China-made vacuum tubes.
- In 1965, we finalized the design for China's first integrated circuit....

Within a short span of just over 10 years, New China's electronics industry managed to establish an industrial system producing a range of products, including electronic components, navigation devices, computers, radars, and television sets; laid the foundation for further development; and narrowed the obvious gap with international advanced standards. During this period, China successfully tested its first atomic bomb, and the successful application of China-made computers in this great experiment demonstrated that New China's electronics industry had reached a level never previously attained.

Taking the 45-year history of the development of New China's electronics industry as a whole process, we will notice that although we were compelled to adopt for the industry a highly planned economic structure with centralized state investment and management in the 1950's and 1960's due to domestic and international limitations, we were also able to bring into the fullest play the

superiority of a socialist country in "pooling resources for major undertakings," develop the productive forces as far as such an economic structure would allow, and develop and expand the electronics industry from scratch with limited funds. We completed within a short time a journey which took most industrialized countries decades to complete, and we did everything that our historical conditions permitted us to do.

As a newly emerging technology industry, the electronics industry has its own law of development, that is, only by constantly expanding the application potential and boundaries of electronic technologies will it have a constant drive for innovation and development. What is worth mentioning is that after a period of relatively fast development in the 1950's and 1960's, New China's electronics industry was ready for new innovations. At that time, people were seeking a solution to an important question of development: How to combine the electronics industry with the national economy and find a road to faster and better development? Regrettably, attempts to choose such a road of development were thwarted even before starting by the 10 years of turmoil. Nonetheless, Zhou Enlai, who was the wise first premier of the republic, still put forward in 1972 the following task of development, which was also blocked: "Everything for the public, bring into play the two initiatives (central and local), make overall arrangements, and pay due attention to both military and civilian needs." However, the ultra-"Left" line did not give the republic's electronics industry any opportunity to develop. A new cause must have new historical conditions and the necessary opportunities before it can accomplish anything.

The new historical conditions and opportunities presented themselves at the Third Plenary Session of the 11th CPC Central Committee. As after timely rain, every inch of new China's thirsty land was nurtured by reform, opening up, and the scientific theory and line which centered around economic construction, showing infinite vitality. The 1980's started off with a splendid overture: In 1980, China started to produce color television sets on a trial basis with technology imported from Japan. In 1981, a carrier rocket successfully launched three China-made satellites into orbit simultaneously. From communications to telemetering and from computer control to meteorological forecasting, this great scientific experiment fully attested to the high quality and standards of electronic equipment made by China. In that same year, China exported to Europe for the first time 1,000 units of BOM-3 monoboard microcomputers. That year, China's Shanghai Satellite Communications Station topped the list of the world's 223 satellite ground stations with its 100 percent unimpeded circuits, and received high ratings from the International Telecommunications Organization....

The "keynote" of the development of China's electronics industry in the 1980's was the strategic change in its development. In 1980, in line with the decision of the CPC Central Committee and the State Council, the

electronics industry put into practice the development strategy of "combining military with civilian needs, with the emphasis on the latter." The industrial innovation program which had been held up for 10 long years was raised to a position of strategic significance and launched with a totally new concept which bore the traits of the times. "Defense conversion" greatly released the energy which New China's electronics industry had painstakingly built up for more than 10 years. Two-thirds of China's military industrial enterprises underwent technical transformation and equipment renovation and were ready to charge into the "new battleground." Nearly 1,000 electronics enterprises moved from deep in the mountains to the open coastal belts and cities in their search for "links" with the vast domestic and international markets. Under the guiding principle of "enriching people's lives and serving national economic construction," our military industrial enterprises developed several thousand new electronic products within a relatively short period, and large numbers of electronic and technological achievements were put into application in dozens of economic sectors and industries. In a matter of just over two years, the percentage of civilian products of China's electronics industry increased from 27.9 percent of the total output to over 90 percent.

In the middle of the 1980's, China's electronics industry carried out major reforms of its highly centralized vertical management structure by handing over to local authorities hundreds of enterprises and institutions under ministry control, as well as a considerable number of those under provincial control. The whole electronics industry was managed in an open way by people in the trade. Barriers were broken down, and the industry was opened to all departments and localities and all ownership systems. "Everything for the public" as envisaged by the late Premier Zhou Enlai, quickly became a reality. Within 10 years, the electronics industry has become that part of the Chinese industrial economy with the largest coverage (all provinces, autonomous regions, and cities, with the exception of Taiwan and the Tibetan Autonomous Region which are not included in the statistics, have electronics enterprises). It has become an industry with the greatest number of economic components and the sphere in which they are most vibrant. It has also drawn in the greatest amount of foreign funds and technology, developed competition between cities faster than any other industry, and achieved a faster growth rate in total output value than any other industry. In the special economic zones, coastal open cities, and high-tech open areas, electronics enterprises have almost always played a pioneering role. This diversified and open pattern of development has brought about increased investment in the industry. Last year alone, total investment in the electronics industry exceeded 40 billion yuan, while total investment directly placed by the state in the past 40 years only amounted to about 50 billion yuan. This development pattern has also paved the way for the widespread application of electronic technology. Last year, China successfully completed

4,000 research projects in electronics, with over 80 percent of the research results put into commercial application. Computer applications have found their way to more than 20 sectors of the national economy and to top-level management organs, generating scores of billion dollars in economic gains. More importantly, this development pattern has also facilitated meeting the needs of domestic and international markets. Last year, of the enterprises in China's electronics industry, over 5,000 were utilizing foreign funds. The amount of funds actually utilized was \$4.16 billion. This industry is an area which has attracted the largest number of world-famous big businesses and corporations. Last year, the total volume of imports and exports of China's electronics industry was \$18.76 billion, with exports amounting to \$8.11 billion, about 80 times the figure of 10 years ago.

Following an open policy, China's electronics industry ushered in a new era where electronics enterprises thrived and vied for advancement all over the country in the 1980's. In the 1990s, taking the road of big alliances and big industries to meet the pressing needs of economic development is the only road for the development of this industry. The year 1993 saw the establishment of the China Hualu Electronics Shareholding Company Limited, China's largest manufacturer of video recorders with investment from different regions and departments. This year, at the initiation of the Ministry of Electronics Industry, the Ministry of Electric Power and the Ministry of Railways, 13 leading Chinese companies jointly established the China United Communications Company Limited with a registered capital of one billion yuan. Mergers and amalgamations in the wake of reform of the property rights system have paved the way for the rise of dozens of large electronics enterprise groups. In line with the trend of forming big alliances and under the personal direction and concern of state leaders, the "Golden Bridge" public information project, which covers the whole country and links the State Council with over 400 key cities and 1,000 large enterprises, the "Golden Card" project for the promotion of "financial transaction cards" among 300 million urban inhabitants, and the "Golden Pass" project for networking special information networks in the foreign trade sector, were launched in 1993. A "State Economic Information Industry Joint Committee," with Vice Premier Zou Jiahua in the chair and which represents over 20 functional departments, has been established to oversee and coordinate these three projects.

The great tide of the development of China's electronics industry, which has flowed following the opening of the gates of reform and opening up, is whipping up one spectacular wave after another as it rushes with an all-consuming force toward the vast sea of the national economy.

#### **Government To Unify Standards of Computer Systems**

OW1209203994 Beijing XINHUA in English 1849  
GMT 12 Sep 94

[Text] Beijing September 12 (XINHUA)—The State Bureau of Technical Supervision last week issued



national standards for the disc operation system (DOS) in Chinese versions, which is to go into effect beginning from April 4, 1995.

According to officials from the bureau, the standards have been set up based on advanced standards nationwide, including Hong Kong and Taiwan.

Officials said that the newly-established national standards will strengthen the compatibility of the locally-developed softwares and protect the interests of the country's software producers as a whole.

In addition, the national standards, which have reached advanced world-level technology, will protect the interests of both the clients and the producers, Chinese computer specialists said.

Chinese computer producers believed that the issuing of the unified national standards will create a "spirit of team work" in the on-going fierce competition of Chinese softwares market.

In recent years, dozens of different Chinese versions of disc operation systems have been developed and being marketed, which had led to differences in quality and incompatibility among different systems.

"The problem greatly hindered the computer applications and the development of computer industry in China," said Academician Ni Guangnan, chief engineer of Beijing Legend Computer Group.

According to Academician Ni, although the output and sales of personal computers in China reached 450,000 last year, China still faced the problem of having a unified platform and national standards.

The Beijing Legend group, the largest computer manufacturer in China, has signed a one-million-U.S.-dollar contract with the Microsoft Corporation to develop the Chinese version of the DOS system.

The Chinese version of DOS6.22, which was developed by the Legend group recently, has been regarded as one of the first Chinese disc operation systems complying with the newly-issued national standards.

In another development, the Beijing Hope Computer Company under the Chinese Academy of Sciences has also developed a new Chinese version of disk operating system—UCDOS.

China state bureau of statistics announced last week that the bureau would equip all its computers nationwide with the UCDOS system developed by the Beijing Hope Computer Company.

"This initiative taken by a Chinese government agency has laid a good foundation for the promotion of a unified platform and national standards for all computers in China," said Professor Zhou Mingtao, a computer scientist from the Chinese Academy of Sciences.

### Scientists Develop Insect Resistant Cotton, Corn

OW1109142594 Beijing XINHUA in English 0732  
GMT 11 Sep 94

[Text] Beijing, September 11 (XINHUA)—Chinese scientists have reported a breakthrough in developing new cotton strains bearing anti-insect genes and new corns of high lysine content.

President of the Chinese Academy of Agricultural Sciences, Wang Lianzheng, said that a biotechnology research center under the academy has developed the first anti-insect cotton genes in China.

Transplanting the genes onto cotton seeds, researchers in Shanxi and Jiangsu Provinces have successfully grown cotton showing a remarkable anti-insect trait, Wang said.

Bollworms have been rampant on cotton farms in north China and have caused heavy losses to cotton growers over the recent years.

In another development, the crop breeding institute under the academy has developed in 1993 a new strain of high-lysine and high-yielding cotton that has been named "Zhongdan 3850".

During a two-year experiment, the new strain has reported an average production of 8.16 tons per ha [hectare], six percent higher than common corns, and the lysine content of each seed scored 0.44 percent, more than doubling that of common strains, Wang said.

The same institute has developed a high-lysine-content corn as early as in 1988, whose value had been confirmed in feeding pigs. But Wang said that its production is too low to be promoted on a large scale.

### Song Jian To Lead Delegation to Space Conference

OW1009165494 Beijing XINHUA in English 1518  
GMT 10 Sep 94

[Text] Beijing, September 10 (XINHUA)—China has formed the delegation to the upcoming regional conference on space applications for development of the Economic and Social Commission for Asia and the Pacific (ESCAP), due to open in Beijing on September 19.

The conference, called the ministerial conference on space applications for development in the region of the Economic and Social Commission for Asia and the Pacific (ESCAP), will last for a week.

According to the preparatory committee of the conference, the Chinese delegation will consist of members from 18 ministries, including the State Science and Technology Commission, the Ministry of Foreign Affairs, the Commission of Science, Technology and Industry for National Defence, the Chinese Academy of Sciences.

The delegation will be headed by Song Jian, state councillor and minister in charge of the State Science and Technology Commission.

Some 500 representatives from 58 Asia-Pacific countries and regions, 40 international organizations, and some developed countries such as the United States, Japan, France, Germany and Canada will attend the meeting.

According to Song Jian, participants will discuss a series of major issues such as the strategy, regional cooperation mechanisms of space applications for development in Asia and Pacific region, and adopt a "Beijing declaration" towards the end of the meeting.

### Military

#### Yu Yongbo Speaks at PLA Symposium on Deng Theory

OW1209125894 Beijing XINHUA Domestic Service in Chinese 1059 GMT 2 Sep 94

[By correspondent Jiang Wenming (1203 2429 2494) and reporter Luo Yuwen (5012 3768 2429)]

[Text] Beijing, 2 Sep (XINHUA)—An all-Army symposium on the theory of building socialism with Chinese characteristics opened in Beijing today. Yu Yongbo, member of the Central Military Commission and director of the General Political Department, addressed the opening ceremony. He called on all units of the People's Liberation Army [PLA] to raise their awareness of the great significance of Deng Xiaoping's theory on building socialism with Chinese characteristics, adhere to the principle of integrating theory with practice, and perform the strategic task of arming the entire PLA with the scientific theory.

Yu Yongbo said: Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics is a great banner guiding us in carrying out a new revolution. In China today, to uphold Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics is none other than truly upholding and developing Marxism-Leninism-Mao Zedong Thought. We should guarantee our political firmness with our ideological firmness and strive to be an example of implementing the party's theories, lines, principles, and policies.

Yu Yongbo pointed out that the party committees and political organs at all levels in the Army, working in accordance with the arrangements of the party Central Committee and the Central Military Commission with a high degree of sense of responsibility, have taken the strategic task of arming the PLA with the theory on building socialism with Chinese characteristics as the most important political work, and have scored remarkable achievements in this regard. He emphasized that under the new situation, all PLA units must work under the guidelines of the Central Military Commission and Chairman Jiang's important speeches, proceed from the

fundamental demand of upholding the party's basic line for 100 years without any wavering, persistently pay close attention to the three basic links—study of theories, research on theories, and propaganda for theories—for a long time, and perform in an even better way the strategic task of arming the whole Army with the theory on building socialism with Chinese characteristics.

Yu Yongbo said: In performing the strategic task of arming the whole Army with the theory on building socialism with Chinese characteristics, the key to success lies in displaying a Marxist style of study and adhering to the principle of integrating theory with practice. Leading cadres should know how to ponder the state security and stability questions in light of the overall interest of international strategy, ponder the Army building questions in light of the overall interest of national construction, and ponder the unit's work in light of the overall interest of Army building. In view of our current situation and tasks, we should particularly emphasize the need to subordinate ourselves to and serve the interests of the whole and resolutely support the important measures adopted by the party and the government to deepen reforms. We should more conscientiously ensure an ideological and political unity, as well as a unity of action, between ourselves and the party Central Committee with Comrade Jiang Zemin at the core and the Central Military Commission. We should firmly ensure a high degree of stability and centralized unity of the troops and guarantee that instructions of the party Central Committee and orders of the Central Military Commission get to all units quickly. We should make more efforts to remold our world outlook and toughen our party character. We should particularly pay attention to doing practical work and turn our improved knowledge on theories into conscientious actions.

Zheng Bijian, executive deputy director of the Central Propaganda Department, attended the symposium and offered his congratulations on its convocation. He said: Under the leadership of the party Central Committee with Comrade Jiang Zemin at its core and the Central Military Commission, the PLA is ahead of others in performing the strategic task of arming itself with Deng Xiaoping's theory on building socialism with Chinese characteristics. At present, our party, our country, and our people are in a period of great historic change. So, our comrades on the ideological and theoretical front must greatly raise their awareness of the necessity to treat Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics as the ideological prop for the whole party and the whole nation; they themselves must first study well Deng Xiaoping's works, while helping the party members and the people, including youth, in study; they must clearly know the current overall situation of China's development, scientifically understand the Marxism of contemporary China, provide convincing answers in light of reality, and work hard to fulfill great historic tasks and common ideals. The symposium is held with the approval of the Central Military Commission, and under the auspices of

the Academy of Military Sciences and the National Defense University at the request of the General Political Department. The leaders of the three general departments, the Academy of Military Sciences, the National Defense University, and major PLA units in Beijing, as well as military and civilian experts, are attending the symposium.

### **All-Army Socialist Theoretical Symposium Ends in Beijing**

*SK0909142794 Beijing XINHUA Domestic Service in Chinese 1820 GMT 5 Sep 94*

[By correspondent Jiang Wenming (1203 2429 2494) and reporter Luo Wenyu (5012 3768 2429): "The All-Army Symposium on the Theory of Building Socialism With Chinese Characteristics Concludes in Beijing"]

[Text] Beijing, 5 Sep (XINHUA)—The all-army symposium on the theory of building socialism with Chinese characteristics, cosponsored by the Institute of Military Sciences and the National Defense College as mandated by the General Political Department, concluded in Beijing on 5 September.

This symposium was to review the entire army's achievements in studying and discussing the theory of building socialism with Chinese characteristics, particularly studying Volume 3 of *Selected Works of Deng Xiaoping* over the past year. The symposium accepted 287 theses. Through assessments, 81 outstanding theses were selected for discussions. Those who wrote the theses were principal leading comrades of large units, army units, organs, and universities; specialists, scholars, and ordinary cadres who are working in the forefront of teaching, scientific research, and army building units; and a new batch of gifted people engaged in theoretical studies. According to the requirements of the Central Military Commission and the General Political Department, and closely in line with the main subjects of mobilizing the army to deeply study the third volume of the "Selected Works of Deng Xiaoping" and of implementing the strategic task of arming the entire army with the theory of building socialism with Chinese characteristics, the symposium emphatically studied and discussed the basic contents, spiritual essence, and great significance of Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics; Comrade Deng Xiaoping's great achievements in founding this theory; his ideas about the development of a socialist market economy; the party Central Committee's strategic policy decisions, principles, and policies on building a socialist market economy; the new situation and problems in army building under the conditions for developing a socialist market economy; Comrade Deng Xiaoping's ideas about army building in the new age; and the major issues concerning the army's political construction and spiritual civilization in the new age. These study achievements have helped put forward, according to actual circumstances, the countermeasures

and methods for suiting the new situations and solving the new problems cropping up in the course of reform, opening up, and army modernization; have helped persuasively analyze and answer the officers and men's deep-layered ideological problems; and have helped theoretically summarize the successful experiences in army building gained in the new age. The symposium called for introducing and popularizing in a timely manner these achievements among the broad masses of cadres and fighters and playing a positive role in deeply promoting the theoretical study of the entire army; ensuring the implementation of the party's line, principles, and policies in the army; and guiding the army to become more revolutionary, modern, and regular.

### **Minister Affirms Convention To Prohibit Chemical Weapons**

*HK1009084894 Beijing ZHONGGUO XINWEN SHE in English 0947 GMT 9 Sep 94*

[Text] Beijing, September 9 (CNS)—Ms. Gu Xiulian, Minister of Chemical Industry, stated at a press conference that China would strictly carry out the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction.

In 1993, the Chinese government signed the Convention and promised under no circumstances China would develop, produce, obtain, store, possess, transfer and use chemical weapons. Nor would China make any military preparations for the use of chemical weapons.

Ms. Gu said China had no chemical weapons but had a chemical industry. The Ministry of Chemical Industry had done a lot of work in implementation of supervision and control over the production, process, consumption, and import and export of chemical compounds as well as inspection on relevant equipment required by the Convention.

She also said that the Ministry had held a working meeting on implementation of the Convention on the prohibition of chemical weapons in May. A special office in charge of such work had been established. The Ministry, along with other departments, have finished preparations for domestic legislation required by the Convention.

### **Fu Quanyou Urges PLA To Improve Financial Management**

*OW1209084094 Beijing Central People's Radio Network in Mandarin 2230 GMT 3 Sep 94*

[From the "News and Press Review" program]

[Text] Fu Quanyou, member of the Central Military Commission and director of the General Logistics Department, recently emphasized the necessity to constantly improve the Army's financial management and adapt it to the market economy.



Our reporters have obtained the following information from an all-Army conference on financial management: The People's Liberation Army, with a tight military budget for many years, has carried out reforms of capital fund management, scientifically appraised investment projects, made overall arrangements and standardized management, thus ensuring a healthy development of its financial and economic activities.

During the meeting, the General Logistics Department circulated a notice on commending the advanced deeds of 30 units and 48 individuals of the PLA in financial management.

### **CMC Leader Greets Teachers at Military Academies**

OW0909131894 Beijing XINHUA in English 1256  
GMT 9 Sep 94

[Text] Beijing, September 9 (XINHUA)—Zhang Zhen, vice-chairman of the Central Military Commission [CMC], extended greetings to teachers at military academies during his recent tour of several of the academies in different parts of the country.

The military academies he visited included the Guilin Army Academy, the Changsha Engineering Institute and the National Defense Science and Technology University. His tour came as China's Teachers Day (September 10) is approaching.

Zhang stressed the importance of having a high-quality group of teachers at the military academies, saying that they are the key factor in improving the educational level of the military schools.

The vice-chairman highly praised scientific teaching personnel at the military schools for their great efforts to make scientific achievements up to the international advanced level under less-than-favorable conditions, after he inspected the large-scale computer systems and intelligent robots at a laboratory at the National Defense Science and Technology University.

He urged all leading officers of the academies to extend more care to the teachers and help them solve practical problems.

He also visited two senior retired professors at the National Defense Science and Technology University.

"The older generation of intellectuals has made tremendous achievements for our national defense science and technology," he said. "Their credit should not be neglected and we should not forget them," he emphasized.

### **Zhang Wannian Praises Management of Weapons, Equipment**

OW1109052594 Urumqi XINJIANG RIBAO in Chinese  
26 Aug 94 p 1

[By correspondent Lang Shiyi (6745 0013 0310) and reporter Ou Shijin (2962 0013 6855)]

[Excerpt] The experience involving weapons and equipment management work in the new period, which was explored and summed up by a certain division of the Xinjiang Military District, has now been promoted in the entire army. General Zhang Wannian, member of the Central Military Commission, and chief of general staff, who recently inspected troop units in Xinjiang, highly evaluated the experience. He said: "The army has been actively exploring ways to do a good job on weapons management work in the new situation. The division stationed in Xinjiang sought a breakthrough in the problem by "integrating personnel, weapons, and equipment. By going to the root of the management of weapons and equipment, the division helped apply experiences not only for the Lanzhou Military Region, but also for the entire army in the area of weapons and equipment management work." [passage omitted]

### **Economic & Agricultural**

#### **Zhu Rongji Reportedly Orders Freeze on Steel Imports**

HK1309092994 Hong Kong HUANAN CHINGCHI  
HSINWEN in Chinese 10 Sep 94 p 1

[Report: "Zhu Rongji Calls for Steel Import Freeze"]

[Text] In the first half of this year, various provinces on the mainland imported a total of 10 million tonnes of steel products, exceeding the planned quota by 100 percent. As a result, prices of steel products dropped to a low level again. The Shanghai iron and steel industry, which ranks among the best iron and steel industries across the land, was forced to reduce or even suspend production. Vice Premier Zhu Rongji has told the State Planning Commission to formulate management rules to control imports of steel products and to freeze the latter half-year plan to import five million tonnes of steel products.

The mainland market for iron and steel is presently at a low tide. After rebounding in January and February, prices of most steel products dropped again to a fairly low level, as they did late last year, with the price of quality wire rod falling by over 30 percent.

Statistics reveal that large quantities of steel imports seriously disturbed the balance between supply and demand for steel products on the mainland market. In 1993, the mainland consumed 92 million tonnes of steel products. Based on an expected 10 percent increase in GNP, 100 million tonnes of steel products will be required this year. In the first half of this year, the mainland produced 41 million tonnes of steel, and production is estimated to increase to 82 million tonnes by the end of the year. If the 29 million tonnes of steel—as opposed to the usual 20 million—in stock early this year is added, the mainland will be short of 10 million tonnes of steel this year [as published]. Accordingly, the authorities planned to import 10 million tonnes of steel this year. But the amount of steel products

imported in the first half exceeded 10 million tonnes, causing supply to outstrip demand. According to analysis by some figures in the industry, excessive steel imports should be attributed to Sino-foreign joint venture enterprises, especially those in the Zhu Jiang Delta, who have imported large quantities of cheaper steel products to take advantage of the central policy that "steel imported for self use is not included in state quotas."

The situation has attracted the authorities' attention. Vice Premier Zhu has ordered provinces and cities in South China to address the problem. He has also instructed the State Planning Commission to formulate management rules to control imports of steel products. He hopes to strengthen state control over imports of steel products through registration of the total quantity of imported steel, thus creating favorable conditions for enterprise production in the steel market.

Zhu has also told the Ministry of Metallurgical Industry to apply three measures simultaneously to regulate market demand. First, restricting imports of steel products by mainly banning unauthorized imports and freezing the importation of 5 million tonnes of steel products originally planned for the latter half of this year; second, reducing production in iron and steel plants under the Ministry of Metallurgical Industry by 3 million tonnes to cut supply; and third, requiring the materials department to purchase 3 million tonnes of steel. It is believed that if these three macro-control measures coupled with the registration of the total quantity of imported steel are put into effect, the mainland's steel market will improve considerably.

However, apart from market factors, China's iron and steel production is also being affected by price rises. Though the steel price has dropped sharply due to supply outstripping demand, ore and pig iron prices, as well as transportation costs, have soared. Under these circumstances, many iron and steel enterprises were compelled to suspend production to a large degree, restrict production, or reduce production in phases to prevent stockpiling, which means funds lying idle. A source said the mainland would reduce its steel production by over 10 percent in the latter half of the year.

According to statistics supplied by Shanghai's metallurgical industry, the city's steel output and output value increased by 5.3 percent and 3.5 percent respectively in the first half over the same period last year. This is because the city's large infrastructure projects have a great need for steel. But the efficiency of the iron and steel industry declined by 8 percent in the first half compared with the same period last year due to a great decrease in products yielding high added value and bringing good profits. The output of high-alloy steel dropped by 32 percent in the first half compared with the same period last year. The first, third, and fifth plants of the Shanghai Iron and Steel Company, whose steel output and sales income accounts for 98 and 70 percent

of the local total, are likely to suspend or reduce production. The plants, famous for their quality seamless steel tubes and wire rods, will also have to restrict production or suspend production in stages.

### 'Central Leader' Sets 8 Percent Growth Target for 1995

HK1209150994 Hong Kong TA KUNG PAO in Chinese  
10 Sep 94 p 4

[Report: "Central Leader Says China's Economic Situation Better Than Expected, Key Task for Latter Half of Year Is To Curb Inflation"]

[Text] A central leading member recently said that China's economic situation in the first half of the year was better than expected, according to a source in Beijing. The key task for the latter half of the year is to curb inflation, and there will be no price rises for coal, oil, natural gas, and heating fuel. The policy of sustained, rapid, and healthy economic development will be continued in 1995, and the GNP growth rate will be set at 8 percent.

This central leading member particularly stressed the issue of curbing inflation, saying that curbing inflation and stabilizing the market and prices are the crux of correctly handling the relationship between reform, development, and stability. He said a 13 percent inflation rate should be the cap in the latter half of the year. Inflation exists in all countries, especially developing countries. However, excessively high inflation results in anxiety among the people, and problems are liable to occur if the inflation rate outstrips growth in production. Excessive price rises cancel out financial revenue, and part of the investment in capital construction will also be swallowed by inflation. Such being the case, various localities must keep the inflation rate at a rational level and tide over whatever great difficulties may arise until the end of the year.

This central leading member said that the tasks of macrocontrol and regulation have not yet been completed and that efforts must be continued to grasp them. It is imperative to keep the credit loan scope under control. A survey showed that the ratio of funds in place for national key projects was 50 percent up, whereas funds in place for local projects were down 20 percent. The situation of payments in arrears was grave. Based on this situation, the scope of newly approved projects in the latter half of the year must shrink.

### New Measures To Control Import, Export Prices

HK1209153394 Hong Kong ZHONGGUO TONGXUN  
SHE in Chinese 0529 GMT 8 Sep 94

[Text] Beijing, 8 Sep (ZHONGGUO TONGXUN SHE)—According to the Ministry of Foreign Trade and Economic Cooperation, the state recently implemented new measures on import and export price control.

These new measures are mainly:

Improving the import agent system. For essential products, including the means of production and grain whose international market prices are higher than those on the domestic market, comprehensive price adjustments should be made so that imports of these goods will be guaranteed and the impact reduced on the domestic market price. New management methods for bulk goods, such as a unified agent system or a system of fixing average agent prices, should be explored.

Pursuing a price policy encouraging exports to earn foreign exchange. The principles for export price controls are: Encouraging growth in export volumes to earn foreign exchange and in the production of export commodities, improving the export mix and raising export efficiency, and banning sales dumping abroad at low prices and buying sprees at home at high prices. For goods exported in large quantities, their maximum purchasing prices at home should be set in light of their international market prices, and their minimum protective prices should be set in light of production costs. And,

Improving the exchange rate formation system and restricting the impact of changes in the exchange rate on prices. In the future, the exchange rate should be fixed in line with the cost of earning foreign exchange through exports as well as with foreign trade and nontrade factors.

#### **Ministry Makes New Rules for Foreign Imports, Exports**

HK1309035794 Hong Kong ZHONGGUO TONGXUN  
SHE in Chinese 0920 GMT 10 Sep 94

[Text] Beijing, 10 Sep (ZHONGGUO TONGXUN SHE)—The Ministry of Foreign Trade and Economic Cooperation [MOFTEC] recently formulated new regulations for import-export trade in foreign-funded enterprises.

These new regulations mainly state that: Foreign-funded enterprises are only allowed to export their own products and import machinery, equipment, raw materials, spare parts, and components necessary for their production according to the Sino-Foreign Joint Venture Enterprise law and other relevant laws and regulations. Without the approval of the relevant departments, they will not purchase and export products from other enterprises or export the products acting as their agents, nor shall they import products for sale or for turning into other products on the mainland.

Foreign-funded enterprises will not export their products, for which export licenses are required, without Moftec approval. The annual export volumes of these products shall not exceed the quotas set in the annual plan for the export of licensed products. Foreign-funded

enterprises cannot buy export licenses from foreign trade companies. The buyer and seller are liable to a penalty if they are found guilty.

The foreign exchange due to the Chinese partners of Sino-foreign joint-venture enterprises or corporate joint ventures will be turned over to the central government in accordance with the regulations. It is necessary to prevent foreign trade enterprises retaining foreign exchange through their own foreign-funded enterprises.

#### **Beijing Urges Cooperation To Halt Trademark Infringements**

HK1209153794 Hong Kong ZHONGGUO TONGXUN  
SHE in Chinese 0422 GMT 16 Aug 94

[Text] Beijing, 16 Aug (ZHONGGUO TONGXUN SHE)—According to officials at China's State Trademark Office, the Chinese Government will never be indulgent towards trademark infringements, but full cooperation between China and foreign countries is needed to crack down on such infringements.

Li Bida, deputy director of the State Trademark Office of the State Administration of Industry and Commerce, said a few days ago that some overseas victims of trademark infringements often try to resolve their problems by lodging complaints with government leaders or other organs which have nothing to do with the administration of trademarks. This method does not help the rapid and effective settlement of infringements. Some trademark infringements do occur in China, but they often originate overseas. In addition, new patterns of trademark infringement are constantly seen.

Ren Jainxin, president of the Supreme People's Court, also said that persons counterfeiting trademarks or infringing on the right to use them, no matter which country they come from, will be treated equally and without discrimination, and heavy sentences must be passed on those who should be punished severely. The death penalty must be inflicted on violators of the law who should be sentenced to death.

It is understood that at present, there are more than 7,000 trademark administrators throughout the country. Last year alone, a total of 37,000 cases of trademark infringement were investigated and punished.

#### **Effects of Tax, Price Reforms 'Better Than Expected'**

HK1109080694 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 11-17 Sep 94 p 8

[By Wu Yunhe: "Macro Reforms Bearing Better-Than-Expected Fruit"]

[Text] Tax, accounting, exchange and price reforms are having a better-than-expected impact on the national economy.



The central government is pushing the major reforms in the hope of creating a framework for a market-oriented economy in China, said Wang Shiyuan, Vice-Minister of the State Commission for Economic Restructuring.

The new tax system introduced this year is, for the first time, enabling China to clearly split its tax revenue into two parts between central and local governments.

The new tax system has also clarified the relations between the government departments and enterprises.

At the same time, it is intended to halt the government's administrative interferences and extra financial levies on the country's enterprises, Wang said.

"The central government's macro control over economic performance is being strengthened, thanks to this new tax system," the vice-minister noted.

He noted that the country's industrial and commercial tax revenue in July rose by 7 billion yuan (\$818.7 million), or 27.9 per cent, over the same period last year.

To build a price system and allow it to be regulated according to a market mechanism, China is also carrying out price reforms on grain, marketing systems for farm and sideline produce, the social welfare system and residential housing.

The price reform has led to deregulation of farm and sideline produce prices, which are the major culprit pushing inflation.

The vice-minister noted that current price reforms have not caused severe side-effects on the national economy.

During the first seven months of this year, the country's consumer prices increased 22.4 per cent from the same period a year ago.

This year, the growth of consumer prices, which include the service rates, are still much lower than the figures registered in the same month of 1988, when the country experienced an over-heated economy.

The government promised it would not initiate any more reform measures of the price system during the coming months of this year in consideration of swelling inflation.

The unification of the country's dual-rate exchange system at the beginning of the year is now considered a success.

The measure helped the government cut down export costs and abolish the black market for money exchange.

During the first seven months of this year, Chinese exports totalled \$68.7 billion, up 31.2 per cent from the same period last year, while its imports were valued at \$58.8 billion, up only 9.7 per cent.

The unified exchange rate has not stimulated an eye-catching fluctuation in the rate of renminbi against foreign currencies.

The People's Bank of China plays a role as the country's central bank to monitor and exert macro-control over the money market, thanks to the economic reforms, Wang said.

### **Bank Deposits Cause Individual Savings To Rise**

*HK1109080294 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 11-17 Sep 94 p 1*

[By Shuang Mu: "Individual Savings Up In First Half"]

[Text] Individual savings will continue to ride the crest of a steadily rising wave after enjoying a sharp jump in the first seven months of this year.

According to a national survey conducted by an authoritative department, Chinese citizens still prefer to deposit money in banks as their first investment choice.

Although they have more investment alternatives including treasury bonds, corporate bonds and stocks, bank savings still holds a strong attraction due to its high safety and high yield.

The survey shows the main purpose for the bank saving is for medium and long-term consumption.

Some of the bank savings will be used for buying houses when the country's housing reforms gain momentum.

Some of the money will be used for buying luxury household electric appliances.

Some will be saved for children's tuition.

And some people save money just for some unexpected consumption in the future.

The survey shows that some Chinese only keep cash on hand to meet their daily living expenditures.

Experts say the steady growth of individuals' income has laid a foundation for the expected growth of bank savings.

The number of people earning high and medium-level incomes has been gradually expanding, the survey shows.

During the first five months of this year, the bank [as published] supplied 426 billion yuan (\$49.53 billion) for salary payment, 37.9 per cent more than in the same period of last year.

During the same period, the sales value of consumption production only rose by 25.2 per cent to hit 590.7 billion yuan (\$68.68 billion).

And the survey shows rural and urban individuals have strong confidence in their income in the coming two years.

China enjoys a satisfactory picture in its savings patterns in the first seven months of this year which rose by 352.9 billion yuan (\$41 billion).

By the end of July, outstanding individual savings amounted to 1,829.2 billion yuan (\$212.7 billion), according to an official with the People's Bank of China.

Experts say self-employed business people and private firms have played important roles in the growth of the savings.

Analysts said the steady increase of individual savings is good news both for the government and banks.

The rising savings give the country's banks more capital to support key construction projects and industries.

It also helps ease inflationary pressures.

### **Statistics Bureau To Reform Data Collection Methods**

HK1109074694 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 11-17 Sep 94 p 1

[By Wu Yunhe: "Sweeping Reforms Ordered For Statistics Gathering"]

[Text] The central government is requiring the State Statistics Bureau (SSB) to conduct frequent census investigations of the population and sample surveys of some specific sectors to aid policy-makers' decision making.

The latest official step is the State Council's approval of the statistics bureau's application for reform of the State's statistical system and setting up a national scheme for continuous sample surveys of the nation's economy.

The sectors—which the government badly needs regular sample surveys—involve population, industry, agriculture, commerce, prices, and fixed assets investment.

According to SSB officials, the call for increased information gathering far exceeds the SSB's current capability.

The bureau has a work force of only 500 people and is in urgent need of internal reforms and outside management advice to expand its current capacity to monitor the nation's day-to-day economy.

Its reforms will include staff expansion, establishing an enterprise investigation team and updating its computerized data system, SSB officials revealed.

The enterprise investigation team, to be set up soon, will have flexible management and will be responsible for carrying out seasonal sample surveys of the nation's industrial firms.

Making the task difficult, SSB officials explained, is the burgeoning state of Chinese industry, which is now composed of State- and collectively-owned firms, joint ventures and private companies.

In the coming years, the SSB will increase the staff in its urban and rural investigation teams to strengthen its statistics collecting capacity.

Bolstering the sample surveying capacity is at the core of the SSB's reform; the surveys are badly needed by the central government for its short-term policy making.

Meanwhile, general surveys of the nation's industries, agriculture, commerce and the population census are expected to take place once a decade.

They are aimed at supporting the government's work in drafting its long-term development strategy for the nation's economy.

SSB officials noted that the structure of investigated objects has become more complicated than ever before due to the development of a diversified economic system in China.

The local individuals and institutional units now show a reluctant attitude towards co-operating with the SSB for the statistics work.

This is because of the change of the administrative responsibilities, which have been clearly divided into two parts to be shouldered by both the central and local governments respectively, the SSB officials noted.

The local governments and such firms owned by non-governmental units and individuals now are comparatively independent from the central government's administration range.

The SSB has found that local administrative interferences and enterprises' activities distorting statistics about their economic development have added difficulties to its task.

The statistics bureau has warned that some local officials are experts at misrepresenting information about local grain production and reserves birth rates, commodity prices and the improvement in farmers' living conditions.

An on-going nationwide inspection, aimed to punish those who violate the State Statistics Law implemented 10 years ago, is being conducted by the SSB, the Ministry of Supervision and the Bureau of Legislative Affairs under the State Council.

### **Guizhou Official Visits Fujian, Urges More Development**

HK1209150594 Beijing ZHONGGUO XINWEN SHE in English 0932 GMT 12 Sep 94

[Text] Xiamen, September 12 (CNS)—Mr. Yao Jiguang, Vice-Governor of Guizhou Province, said in Xiamen that, in recent years, more and more people have come to Guizhou for investment and trade. However, owing to historical reasons, Guizhou's resources are fully tapped. It is now the time for further exploitation of the natural resources.

According to Mr. Yao, Guizhou, as an inland province close to sea, Guizhou has rich resources and a great developing potential. It is rich with energy and mineral

resources as well as various species of biological resources, whilst its crops like flue-cured tobacco, rapeseed, tea, etc., and medicinal herbs such as gastrodia elata, *encommiae ulmoide*, etc., all occupy an important place in the whole country. After years of input of investment and construction since the 60's and 70's when Guizhou, a province rich with resources and technology, was regarded as one of the main provinces for construction by the state, Guizhou has now formed its own systems of energy and raw material industry, mechanical and electronic industry as well as light textile industry. Since last year, Guizhou has started to supply electricity to Guangdong and Guangxi. At present, the province is considering to transmit electricity to Central China, South China and coastal areas.

Following the drive to speed up opening to the outside of China's inland areas, Guizhou, while preparing itself for drawing foreign investment by creating necessary conditions, is expanding its overseas influence, said Mr. Yao. Since 1991, the province has regularly organized missions to Fujian Investment and Trade Fair, and this is the fourth time to participate the trade fair. Through those trade fairs, Guizhou has enhanced mutual understanding and trust with many overseas friends, strengthened economic and technological exchange and cooperation. Thus more and more famous foreign companies, consortia and groups have come to set up enterprises in Guizhou. In 1993, Guizhou's actual utilization of foreign capital was increased by 1.2 times over 1992 and there was also a quicker development of foreign trade.

To take full advantage of the province in potential resources, industrial basis and technological strength, Guizhou is now concentrating on basic infrastructural construction, further improving investment environment, so as to attract both home and foreign investors, said Mr. Yao.

#### **Sichuan Delegation 'Most Noticeable' at Xiamen Trade Fair**

OW1109034194 Beijing XINHUA in English 0209  
GMT 11 Sep 94

[Text] Xiamen, September 11 (XINHUA)—At the ongoing trade fair here the delegation from southwest China's Sichuan Province is most noticeable.

Its 400-member trade delegation has taken with it 600 projects, involving a total investment of 17 billion U.S. dollars.

Most of the projects are related to infrastructure and basic industries like communications and telecommunications, energy as well as iron and steel, color TVs, VCRs, telecommunication facilities, power transmission facilities, machinery used in construction, motor vehicles and motorcycles.

There are also a number of technological innovation projects in industrial sectors of silk, textiles, pharmacy, food and building materials.

Most noticeable on the list are some promising state-owned enterprises for international cooperation and joint investment. The delegation has a list of import and export orders involving 25 million U.S. dollars-worth of products.

As China's most populous province with 110 million people, Sichuan is known for its rich mineral, hydropower and tourism and labor resources. Sichuan has built a number of heavy industrial centers such as iron and steel, machinery, chemical industry, electronics, aerospace, building materials and energy.

Vice-Governor Ma Lin said that his inland province wants to build more connections with coastal areas of the country and other parts of the world.

The province also boasts of 1.55 million scientific and technical personnel, especially in the fields of aerospace, electronics, machine-building, telecommunications and nuclear industry. Xichang satellite launching center is located in the western part of the province.

To improve its investment environment, the province has built a modern communications and telecommunications network integrated with railways, highways, water transportation, civil aviation and digital program controlled exchanges, optical fibre and microwave telecommunications.

The province has nearly 3,000 km of railways and 100,000 km of highways, and 5,000 km of waterway. Telephone exchange capacity also reached 740,000, reaching 195 countries and regions. An automatic telephone system has been built in over 200 local counties and cities.

Meanwhile, the province generated 45.9 billion kwh of electricity in 1993. The multi-million-dollar hydroelectric project, the Three Gorges Project between Sichuan and Hubei will be the largest such kind in the world.

To attract more foreign investment, the province has stipulated regulations regarding overseas investment in the province and international business co-operations. It has also intensified services and simplified investment procedures for foreign businessmen.

#### **Economy of Former Revolutionary Base Area 'Improving'**

OW1209033394 Beijing XINHUA in English 0223  
GMT 12 Sep 94

[Text] Lanzhou, September 12 (XINHUA)—In the late 1970s, Wuliqiao in the Shaanxi-Gansu-Ningxia old revolutionary base area was known far and wide as an extremely poor village, with per-capita income below 100 yuan a year.

But now, the village in Qingyang Prefecture, Gansu Province, has set up 12 factories, increasing the average income of villagers to 1,000 yuan annually.



Wuliqiao is one of hundreds of villages in the area, which have achieved initial prosperity by expanding rural industries and improving agricultural production conditions over the past few years.

The area became the center of the Chinese revolution during the war of resistance against Japanese aggression (1937-45) and Yanan, a city in the area, served as the headquarters of the Chinese Communist Party then headed by Mao Zedong.

In recent years, industrial production has been growing rapidly in the old revolution base area, including Yanan and Yulin prefectures in northern Shaanxi Province, Qingyang Prefecture in Gansu Province, Xihaigu Area in the Ningxia Hui Autonomous Region.

The area's industrial output value topped five billion yuan in 1993, according to government statistics.

With more government funding for agriculture, the rural economy is growing steadily.

For instance, the four pillar industries—tobacco growing, fruit plantation, sheep breeding, oilseed plantation—in Qingyang Prefecture now provide nearly 300 yuan for every local rural resident annually.

Economic growth has improved the living standards of local people. As a result, the overwhelming majority of farmers in the whole area have moved from the cave dwellings to brick-and-tile houses.

Savings deposits of urban and rural residents in northern Shaanxi Province now total three billion yuan, a local official said.

With barren land and extremely dry weather, the old revolution base area used to lag behind other parts of China in terms of economic growth, the official said.

He said that the policy of the reform and opening up has provided an opportunity for faster economic growth to the old revolutionary base area.

With the discovery of minerals including petroleum, rock salt and coal, the area is being built into an energy, heavy industrial and chemicals production center in China.

To date, a natural gas field with reserves estimated at 130 billion cubic meters have been discovered in northern Shaanxi.

Coal fields with reserves verified at 160 billion tons and oil fields with reserves estimated at 100 million tons have also been found there, the official said.

The area is now capable of mining 10 million tons of coal and pumping 2.35 million tons of crude oil annually, he said.

Moreover, local people are doing their utmost to harness rivers and improve soil by planting trees and grass, he added.

Farmers in the Xihaigu Area in Ningxia set up various centers for production of grain, cooking oil and wool.

The local people are also trying to expand an export-oriented economy, he said.

For example, the area now exports farm and sideline products, as well as manufactured goods, to 20 countries and regions.

Infrastructure in the area has been improved in recent years, the official said.

For instance, 86 percent of all villages in Yanan Prefecture, Shaanxi Province, are linked to roads.

### Official Views Assessing Assets of Township Enterprises

HK1309103094 Beijing XINHUA Domestic Service in Chinese 0251 GMT 15 Aug 94

[By Wang Yanbin (3769 6056 1755) ]

[Text] Beijing 15 Aug (XINHUA)—The "Methods of Control Over Assessing Assets of Township and Town Enterprises" formulated for the first time by the Township and Town Enterprise Bureau of the Ministry of Agriculture were issued to various localities not long ago. The bureau in question requires town and township enterprises in various places to do a good deal of work in assessing assets to promote the healthy development of township and town enterprises.

The "Methods of Control Over Assessing Assets of Township and Town Enterprises" comprises six chapters, namely: general provisions, organization and administration, procedures for assessment, methods of assessment, legal responsibility, and supplementary provisions. Should one of the following conditions surface, township and town enterprises must undergo assets assessment: When it is reorganized into the joint-stock system and cooperative shares system; when stock assets are to be changed into a form of shares or turned into a certain amount of shares to be sold; when an enterprise finishes clearance; when it implements contracted responsibility, leases, mergers, auctions, transfers, mortgages, and economic guarantees; when an enterprise initiates a joint venture, an enterprises in cooperation with a state-owned company, enterprise or other economic organization; when it initiates a joint venture with Chinese and foreign investments or a Sino-foreign enterprise in cooperative operation with a foreign company, enterprise, or individual; under circumstances where a party involved in changing property rights believes there is a need to conduct assets assessment; and under other circumstances where a responsible department believes that there is a need to conduct assets assessment according to the relevant state regulations.

Qi Jingfa, director of the Township and Town Bureau of the Ministry of Agriculture said: "Various places have attached great importance to the reform of the property

rights system of township and town enterprises in recent years, and have scored certain accomplishments. Presently, the experiment on a cooperative shares system is under way in some enterprises; however, in the process of such experiments, some localities have reflected that they have no idea of how they should conduct assets assessment. For this reason, the Township and Town Enterprise Bureau formulated, published, and issued the "Methods of Control Over Assessing Assets of Township and Town Enterprises" on the basis of organizing human and material resources to conduct surveys and studies. We hope that various places will further augment control over the assets of township and town enterprises; assess the value of the volume of assets assessment of township and town enterprises in a scientific and rational way; insure and push the smooth progress of the reform of property rights; protect the legitimate rights and interests of property owners, managers, and users; and gradually set up a modern enterprise system in enterprises that complies with the requirements of a socialist market economy and socialized mass production characterized by clear property rights, explicit duties and rights, the separation of government and enterprises, and scientific management.

#### Retailers Said Using New, Varied Marketing Tactics

OW1309033994 Beijing XINHUA in English 0251 GMT 13 Sep 94

[Text] Shenyang, September 13 (XINHUA)—Shoppers might have noticed a blue plate put up recently at the gates of some stores in the commercial center in Shenyang, capital city of northeast China's Liaoning Province.

This is a sign to indicate that the stores belong to a club attached to a Shanghai-based company. In the stores shoppers may enjoy an eight-9.5 percent price discount if they have bought a membership card issued by the company.

Such a marketing promotion form, new to China, however, did not surprise Chinese customers who are getting used to diversified marketing methods mushrooming in recent years, including chain shops, specialized shops, direct sales and lottery sales.

In the wave of sales promotion, more and more chain shops are set up nationwide. They have the same channels of getting commodity supplies, in large quantities, and offer the same prices for the same commodities. The cost involved in circulation is comparatively less, and the prices of commodities therefore can have a competitive edge.

Chain shops are not new in Western countries, but they are new in China. Shoppers like to visit them after comparing prices and commodity quality.

First tried out in economically developed southern and coastal areas, sales promotion was gradually spread to northern and inland regions.

The late-coming areas seem determined to enter into competition with the southern and coastal areas. The advertising boards erected at the top of two railway station buildings in Shenyang just illustrate this point.

The ad board at the old building is all for products made in southern China as well as overseas, but the board at the new building is reserved for local products.

With the development of a market economy, more businesses are aware of the importance of marketing.

The Shanghai-based Baoshan Iron and Steel Complex, one of the country's largest state-run firms, did not worry about marketing in the past because the country was responsible of selling all its products.

Now the responsibility of sales promotion has been left to the company itself and as a result, the company even changed its slogan which used to read: "If you want fine steel products, come and look at our complex."

Li Ming, the boss of the complex, explained that under a market economy an enterprise can no longer wait for customers but have to look for buyers.

That means a break with the traditional idea that "a good product will sell well without advertisement."

Having realized the importance of name-brands, the country's enterprises all set up departments of public relations and pour money into advertising to make the name of their products better known to the customers.

That causes a nationwide competition for ads to be carried at the golden time of the Central China Television (CCTV) program, the major and only video media covering all parts of the country.

With deepening of the reform and in the course of building a market economy, commodity supplies will become more and more abundant, and more foreign brands are entering the country. Competition in sales promotion will become more and more fierce, experts say.

#### Market To Determine Certain Property Prices, Rents

HK1209005594 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0555 GMT 8 Sep 94

[Text] Beijing, 8 Sep (ZHONGGUO TONGXUN SHE)—An authoritative real estate person at the Ministry of Construction said recently that the work focus of the real estate industry in China this year is to increase the intensity of reform and accelerate the construction of residential houses. In addition, reform of the property pricing system is also one of the focal points for real estate reform this year.

As disclosed, rent readjustments will continue, and prices of commercial housing for medium and low-income earners will still be restricted. However, control on selling prices and rents of other houses will be

gradually lifted, and they will be determined by market demand and supply. In particular, the principle that investors should own their houses and benefit from their investments should be applied to commercial housing in newly constructed small residential areas, and the practices of using and allocating houses without compensation should be checked. A report system on charges for intermediary service and property management should be practiced, a competitive mechanism should be established, and unreasonable levies should be resolutely curbed.

In addition, real estate enterprises must practice a company system according to the "Company Law," and state-owned real estate enterprises must practice a joint-stock system in a planned and systematic way. Existing real estate development and operation companies set up as institutions should change their structure to become enterprises.

### **Central Government Approves Three Gorges Economic Open Zone**

OW1309022894 Beijing XINHUA in English 0128  
GMT 13 Sep 94

[Text] Beijing, September 13 (XINHUA)—The central government has approved the establishment of the Three Gorges Open Economic Zone in the middle reaches of the Chang Jiang river, China's longest, according to the "INDUSTRIAL AND COMMERCIAL TIMES."

The zone will implement the policies and priorities stipulated by the central government for the special economic zones.

The cities of Yichang, Wanxian and Peiling in the zone along the Chang Jiang river have been listed as open cities.

"This is a good opportunity for the locality to boost its economy," the paper noted.

At present, preparation is well under way to build the country's largest water conservancy project in this area.

### **RENMIN RIBAO on Reform of Cotton Market**

HK1209145294 Beijing RENMIN RIBAO in Chinese  
2 Sep 94 p 1

[Commentator's article: "Use Every Possible Means To Pick Cotton"]

[Text] Gratifying reports on promising cotton harvests this year keep pouring in. A few days ago, the State Council held in good time a national cotton work conference to make comprehensive arrangements for the purchase and marketing of cotton this year and made the decision on rationally readjusting the purchase prices of cotton, consolidating and standardizing the cotton market, strengthening the supervision and inspection of the cotton's quality, and perfecting the cotton storage and regulation system. This is an important move for

promoting the steady development of agriculture and represents another major step taken in the reform of the circulation structure this year following those taken toward grain, crude oil, product oil, chemical fertilizer, and other agricultural means of production. These measures will play a positive role in promoting the restoration and steady growth in cotton production, ensuring that resources are in the hands of the state, guaranteeing the quality of cotton, enhancing the healthy development of the textile industry, and increasing foreign exchange earned from export. This year, the principle for cotton work is clear, the policy is in keeping with reality, and the measures are strong. The crux of the matter is to seek unity of understanding and vigorously grasp the work of implementation.

An important thing in seeking unity of understanding is to seek unity in understanding of the reform of the cotton circulation structure and the principle for cotton work this year. Last year, the State Council also specially held a cotton work meeting, but the ideological understanding of some comrades was not really unified in accordance with the principle and policy of the central authorities. For example, they thought the reform of the cotton circulation structure meant "thoroughly removing all restrictions" and they wavered between "control" and "removing restrictions." As a result, at the end of the purchasing period last year, many localities actually relaxed and even stopped exercising their management functions. All kinds of companies and cotton sellers took part in the purchase and management of cotton. Serious evil practices emerged, such as competing with one another in raising prices, mixing up different grades of cotton, and adulterating the cotton. These caused the loss and waste of a large quantity of valuable cotton resources. Those engaged in intermediate links made profits, but the peasants and textile enterprises suffered losses. This is a profound lesson.

The direction of the reform of the cotton circulation structure is to gradually depend mainly on the market mechanism to rationally distribute cotton resources in accordance with the needs of the socialist market economy under state macro regulation and control. However, reform does not mean simply removing restrictions, not exercising management, or completely letting the market regulate itself spontaneously. The establishment of a new type of cotton circulation structure includes the formation of a qualified market main body, the cultivation of a standard market system, and the formation of a flexible price mechanism. It also includes the establishment of a sound quality supervision system, the perfection of the storage, import and export regulation system, and so on. Such rich contents of reform can never be achieved by "thoroughly removing all restrictions." Besides, cotton is a strategic material which has a bearing on the national economy and the people's livelihood. It also involves regional production, national consumption, high demand for quality, and high natural risks. The reform of its circulation structure must be based on actual conditions, the



opportunity for the reform must be selected appropriately, the steps to be taken must be chosen appropriately, and the reform must be energetically and prudently pushed forward. In accordance with the current demand and supply of cotton and taking into account the fact that a standardized market has not yet been established and the quality supervision, storage, and regulation systems are not yet sound, the State Council has decided that the restrictions on cotton management, the cotton market, and cotton prices should not be removed, the state should continue to fix prices in a unified manner, and supply and marketing cooperatives should exercise unified management. This conforms with reality. However, this does not mean there will be no reform. The state has raised the purchase prices of cotton to a reasonable level on its own initiative. This has aroused the enthusiasm of cotton growers for growing and selling cotton, has enabled a rational price parity between cotton and grain and has benefited the coordinated development of the two, and has given consideration to the bearing capacity of the textile industry. This is a concrete manifestation of consciously acting according to the law of value. Properly guarding the "market access" gate and instituting the qualification confirmation system for the purchase, processing, and management of cotton are also common practices in exercising the necessary management over important or special commodities in countries with a market economy. Consolidating and standardizing the market circulation order, speeding up the perfection of the quality guarantee system, and further perfecting the government's regulating structure of cotton storage, import, and export are also intrinsic demands of the development of the socialist market economy. Justly and forcefully doing a good job in these areas is equivalent to creating conditions for the establishment of the new cotton circulation structure.

Vigorously grasping implementation means implementing the various policies and measures of the State Council concerning the reform of the cotton circulation structure and cotton purchase and marketing this year at various stages, including the purchase, processing, allocation, price management, and quality supervision of cotton. The whole country must have uniform government orders, and various localities cannot act on their own. In particular, neighboring areas must strive to have uniform policies, keep in step, support one another, and resolutely prevent any cotton war. Governments at all levels in cotton-growing areas should appoint a major leader to be in charge of the work. The various departments concerned should discharge their respective functions, cooperate closely, try by every possible means to collect cotton, and ensure that cotton resources are in the hands of the state. The industry and commerce administrative departments should firmly grasp the confirmation of the qualifications of cotton purchase, processing, and management organizations and should resolutely ban illegal cotton transactions. Being entrusted by the state with the unified management of cotton, supply and

marketing cooperatives are undertaking a great responsibility. They should strengthen internal management, strive to provide high-quality services, and exemplarily implement state price policy and follow quality standards. They should not force the prices down or push the grades and prices up. Price management departments should strengthen the supervision and inspection of cotton purchase and marketing prices. Banks should ensure the availability of exact amounts of funds in good time and should not issue promissory notes to cotton growers. Technical supervision departments should strictly carry out quality supervision and inspection and continue to severely crack down on illegal and criminal activities related to the adulteration of cotton. Public security departments should punish in accordance with the law lawless people who dominate the market, resort to force in buying and selling, beat inspection personnel, and interfere with the normal order. While doing a good job in cotton procurement, supply and marketing cooperatives at all levels should seriously implement state allocation plans. Governments in cotton-growing areas should take the interests of the whole into account and should support and supervise the fulfillment of the tasks of supply and marketing cooperatives. Textile enterprises should make good use of limited cotton resources. Agricultural departments should organize the peasants to reserve sufficient land for growing cotton next year, should make good preparations for production—such as buying cotton seed, chemical fertilizer, and pesticides and acquiring scientific cotton growing skills—and should lay a good foundation for increasing cotton output next year.

Cotton is an important commodity which has a bearing on the national economy and the people's livelihood, and work related to cotton has a bearing on the overall situation. As long as we have unity in thinking, make concerted efforts, and earnestly implement the relevant principles and policies of the State Council, we can certainly do a good job in cotton purchase and marketing in 1994 and can create favorable conditions for an even bigger cotton harvest next year.

#### **Foreign Cooperation in Chemical Industry To Increase**

*OW0809140894 Beijing XINHUA in English 1138 GMT 8 Sep 94*

[Text] Beijing, September 8 (XINHUA)—Foreign investors in chemical industry will have a still greater share of China's domestic market, said Minister Gu Xiulian of chemical industry today.

The minister told a press conference that China will relax its control in the sale of chemical products of foreign-funded enterprises in the domestic market.

She added that the policy will be implemented on a case-by-case basis, in conformity to the actual demand. "An investor will certainly enjoy a large share of the market if his product is in good demand," she said.

She cited in particular those high-tech and other badly-needed products. "We'll do our best to make things easy for foreign companies to invest in their development," she added.

The press conference was held to mark the International Chemical Industry Fair-1994 sponsored by the Ministry of Chemical Industry and China Council for the Promotion of International Trade. The fair will open in Beijing on September 16.

Foreign trade contracts worth 300-400 million U.S. dollars are expected to be signed during the fair, and so are domestic trade contracts valued at two billion yuan. Participating will be 1,940 chemical enterprises, including 180 from 21 foreign countries and regions.

"To open still further is our consistent policy," Gu declared.

The goal of the ministry is to export 10 billion U.S. dollars worth of chemical products and use a total of 10 billion U.S. dollars in foreign investment by 2000.

Between 1991 and 1993, foreign companies invested some four billion dollars in China's chemical industry.

"In 1994 and 1995, however, we are using 3.6 billion dollars in foreign investment," Gu said.

She also said that the ministry has signed all-round cooperation agreements with four foreign countries and 13 international chemical companies.

"With these companies we are now discussing some 120 cooperation projects," she said. "Five or six of these involve more than 50 million dollars each."

#### Highway Construction To 'Nearly Double' By Year 2000

HK1309055894 Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) in English 13 Sep 94 p 1

[By William Kang]

[Text] Despite ambitious plans to nearly double the rate of highway construction in the years leading up to 2000, China will not have an efficient road system until at least 2020.

Ministry of Communications chief engineer Yang Shengfu said yesterday that China's traffic problems were so severe that the nation could only hope to smooth out the worst of the congestion in the short-term.

China plans to build another 170,000 kilometres of roads by 2000 at a cost of more than 200 billion yuan (about HK\$180 billion), increasing the total highway system to 1.25 million kilometres.

The project will entail building an average of 24,200 km of roads a year, up from an average of 13,000 km a year between 1978 and 1993.

"It will take about 30 years just to meet China's basic transportation needs," said Mr Yang, who jointly presented a paper on highway construction in China with Highway Administration assistant director Li Daming at the Asia Roads and Highways '94 conference in Hong Kong yesterday.

"But because the number of cars is always increasing faster than the kilometres of roads (being laid), we'll never really catch up."

Mr Yang said the government was likely to introduce new taxes on petrol and tyres to increase revenue to be used for highway development.

In addition, China would continue to seek foreign loans from the World Bank, the Asian Development Bank, and bilateral loans from foreign governments.

China had already used about U.S.\$2 billion in financing to build 7,000 km of highways.

Mr Yang said the Chinese Government would also encourage foreign participation through joint ventures and the build-operate-transfer system by offering preferential taxation and land development policies to investors.

#### Beijing-Kowloon Railway Construction Going 'Smoothly'

OW1109114194 Beijing XINHUA in English 0754 GMT 11 Sep 94

[Text] Beijing, September 11 (XINHUA)—Construction of Beijing-Kowloon Railway has been going on smoothly, with the completion of a number of including bridges, tunnels and other key projects.

The construction started in the end of 1992. Sources from the Railway Construction Office said that by the end of August, an investment of more than 14.8 billion yuan has been finished, of which 6.6 billion yuan has been done in the first eight months of this year.

The sources said that a total of 209 million cubic meters of earth and stone moved, accounting for 87 percent of the total designing amount. Meanwhile, more than 158,800 meters of bridges or 85 percent of the designing account and 35,340 meters of tunnels or 63 percent of the total have been built, and 1,103 km of tracks have been laid, 31 percent of the design.

So far track-laying has been started on 14 places along the line, of which the 90 km Heze-Shangqiu section has been finished and started traffic, while the 526 km Fuyang-Jiujiang section has basically been finished its construction of bridges, tunnels and roadbed, and started laying tracks yesterday, 20 days ahead of the schedule.

The railway is 2,381 km long. Being a new trunk railway transportation line between the Beijing-Shanghai and Beijing-Guangzhou Lines, it runs through nine provinces

and municipalities from north to south. The whole line will start operation in the end of 1995.

### **Airline Groups To Set Up Joint Equipment Sales Company**

*HK1309072794 Beijing ZHONGGUO XINWEN SHE in Chinese 1234 GMT 9 Sep 94*

[By reporter Sheng Meilan {4141 5019 5695}: "Three Major Airline Groups in China To Set Up an Aviation Equipment Consignment Sale Company"]

[Text] Hong Kong, 9 Sep (ZHONGGUO XINWEN SHE)—The Air China Group, the China Eastern Airlines Group, and the China Southern Airlines Group share the same intention of jointly setting up the Hualian Aviation Equipment Consignment Sales Company. Large warehouses will be built in Beijing, Shanghai, and Guangzhou to manage aviation equipment consignment sales business. The new company is expected to be officially set up within the year.

Yang Wende, manager of the Air China Group Import and Export Trading Company Development Department, said at today's press conference: The purpose of setting up an aviation equipment consignment sales company in China is to introduce foreign aviation equipment so that aviation equipment in China can become diversified. He said: Even before the new company has been set up, several dozen foreign aviation equipment companies have already booked warehouse space. The reaction has been very good. The new company plans to set up three consignment sale warehouses separately in areas close to the airports in Beijing, Shanghai, and Guangzhou. The one in Beijing will be the biggest, covering about 1,000 square m.

Yang Wende said: At present, Air China mainly uses the Boeing airplane series and has a total of 42 Boeing airplanes. Next year, Air China will spend \$200 million buying one Boeing Model 747-400 and one Boeing Model 747-300 large passenger airplanes.

Peng Yiyuan, general manager of the China Eastern Airlines Import and Export Company, said today: The company has ordered a total of \$660 million's worth of airplanes. Next year, an Airbus A300 and an Airbus A600 will be delivered. In May 1996, five Airbuses, A340 and A600, will be delivered. In addition, the company has also signed a letter of intent on nine MD90 airplanes. He disclosed that the company is making preparation for listing in New York.

### **Government Seeks To Increase Number of Merchant Seamen**

*OW1209180694 Beijing XINHUA in English 1301 GMT 12 Sep 94*

[Text] Beijing September 12 (XINHUA)—China is making great efforts to train more high-quality seamen in a bid to expand its proportion in the international seamen's market. The target set for 1995 is to send some 20,000 seamen to work on foreign ships.

Fei Chun, deputy director of the Personnel Affairs Department of the Ministry of Communications, said that in 1993 more than 13,200 Chinese seamen were working on foreign ships, with a contract value of 86.61 million U.S. dollars.

Fei said that China first got into this business in 1979, when the first group of 322 seamen were hired by foreign ship owners. However, this sector was not given much attention, and developed very slowly in the following ten years. In 1991 the number of seamen sent abroad was only a little more than 3,000. But in the past few years the business has been put on the fast track, and by the end of 1993 the number of seamen sent abroad had exceeded 60,000.

So far, Chinese seamen have worked on the ships of more than 20 countries and regions, including Singapore, South Korea, the United States, Italy, Norway, Greece, Germany, France, Switzerland, Hongkong and Taiwan. But China is still lagging far behind the developed countries in Europe, America and Southeast Asia, due to the low quality of seamen and lack of senior crew members.

To improve seamen's quality and train more senior crew members, the Ministry of Communications is making necessary efforts, one of which is the recruiting of 1,000 senior middle-school graduates each year from rural areas since 1990. They receive two years of professional training to become qualified seamen and even ship's officers.

In addition, at present China's maritime universities and various professional schools can produce 4,000 to 5,000 seaman each year.

Professional skills and morale, and the ability to understand and speak English are the key points in their training, Fei said, and adding that an input of more than 20,000 yuan is needed to train a qualified seaman.

Many foreign employers said that Chinese seamen have fairly high skills and strict discipline, so they have great competitive potential in the international market.



## East Region

### Fujian's Xiamen Economic Zone Increases Overseas Investment

OW0909085194 Beijing XINHUA in English 0729  
GMT 9 Sep 94

[Text] Beijing, September 9 (XINHUA)—Overseas investment in Xiamen, Fujian Province, is picking up thanks to the improvement of investment conditions.

According to the Xiamen Foreign Investment Committee, overseas investment in this special economic zone fell in the first four months of this year, and has risen steadily since May.

By the end of August, Xiamen had approved the establishment of 477 overseas-funded enterprises involving a total investment of 1.928 billion U.S. dollars this year. Included were foreign investment totalling 1.408 billion U.S. dollars.

Altogether 289 enterprises have gone into operation, an increase of 45.23 percent over the same period of last year.

By the end of August this year, according to the committee, the number of projects funded by the United States, Japan, France, Britain and Germany was up 84 percent over the same period of last year, and the amount of the contracted foreign investment rose by 108 percent.

Of these projects approved, 47 have registered capital of at least 10 million U.S. dollars respectively.

According to statistics, Xiamen has approved the establishment of 2,767 overseas-funded enterprises so far.

These enterprises involved a sum of 10.214 billion U.S. dollars, including 8.206 billion U.S. dollars in foreign investment.

The output value of foreign-funded enterprises now accounts for 66.82 percent of the city's total industrial output value, according to the committee.

### Fujian To Get First Overseas-Funded Bridge

OW1009032794 Beijing XINHUA in English 0124  
GMT 10 Sep 94

[Text] Fuzhou, September 10 (XINHUA)—A contract on construction of Fujian's first overseas-funded bridge was signed today in this capital of the province.

The Pingtan Strait bridge, to connect Fuqing city and Pingtan County, will have a designed overall length of 3,280 m. The bridge will be 2,565 m long and the road approaches will each be 715 m long.

The four-lane concrete bridge will have a daily capacity of 30,000 vehicles. It will have a clearance of 32.5 m, enough to allow 5,000-dwt cargo ships to pass under.

The 90 million U.S. dollars needed to build it will be provided jointly by companies from Hong Kong, the U.S. and Taiwan.

### Fujian Uses Foreign Investment To Develop Agriculture

OW1209165594 Beijing XINHUA in English 1454  
GMT 12 Sep 94

[Text] Fuzhou, September 12 (XINHUA)—Southeast China's Fujian Province has attracted 700 million U.S. dollars over the past few years to develop its rich land resources, according to a provincial official.

By now, the official said, a number of commodity agricultural production bases and export-oriented production bases have been built.

With vast areas of hilly land and moderate weather conditions, Fujian has great potential for the development of agriculture, forestry, animal husbandry, sideline and fisheries production.

To tap this potential, the province has stipulated a series of preferential policies encouraging overseas investment, especially from Hong Kong and Taiwan. A group of agricultural production centers have been established by introducing advanced technology and new plant varieties from abroad.

The province's land reclamation department alone has signed 127 contracts involving 180 million U.S. dollars for land development, 140 million U.S. dollars of which came from overseas investors.

Quanzhou city has led the province in this development. The most remarkable one is a project funded by an overseas Chinese businessman to the tune of 200 million U.S. dollars for comprehensive agriculture development which integrates research, education, planting, breeding, processing and tourism. A flower- production center invested by a Hong Kong businessman has also taken shape in the province's Pingtang city.

The overseas investment has helped the province improve the quality and quantity of its farm products and promote the export. In the past two years, it has earned 1.5 billion U.S. dollars from the export of farm products.

### Advanced Engine Production Line Operational in Jiangsu

OW1009015994 Beijing XINHUA in English 0152  
GMT 10 Sep 94

[Text] Nanjing, September 10 (XINHUA)—A flexible motor vehicle engine production line was recently put into operation in this capital of east China's Jiangsu Province.

The flexible production line, the first of its kind in China, was jointly funded with 140 million yuan by the

Nanjing-based Jincheng Machinery Co. Ltd and Malaysia's Lion Group. It was imported from the U.S. in March 1993, with an annual production capacity of 300,000 motor engines.

#### **Nanjing To Build Four Subways**

OW1009131194 Beijing XINHUA in English 0853  
GMT 10 Sep 94

[Text] Beijing, September 10 (XINHUA)—Nanjing, capital of east China's Jiangsu Province, plans to build four subways and foreign cooperation is being sought.

The four subways, totalling 121 kilometers, have been listed into the blueprint of the city, which has about two million urban residents and a 800,000 flowing population.

The subway, 16.84 kilometers, will start from Xiaoxing, passing through the downtown commercial area from south to north, to end at Maigaoqiao, with 13 stops.

Planned investment for the first subway, to be completed by 1999, topped 4.8 billion yuan, among which foreign investment will reach 190 million U.S. dollars.

Foreign investors are welcome to participate in the building of the subways and other relevant projects such as transformation of the old urban districts and expansion of ground roads.

One of the subway stops, the Sanshan Stop, has already been started on an experimental basis and is expected to be completed by the end of this year.

At least a dozen Chinese cities have started or planned to build subways in the coming few years as a way to ease their increasing traffic jams.

#### **Shandong Issues Circular on Halting Illegal Cotton Purchase**

SK1109080494 Jinan Shandong People's Radio  
Network in Mandarin 2300 GMT 11 Sep 94

[Text] The provincial public security department issued an emergency circular on 9 September calling on all localities to deal stern blows to illegal cotton purchasing and marketing activities.

The circular calls on all localities to pay great attention to and strengthen the investigation of cases on adulterating quality cotton with inferior cotton, particularly major cases, and to closely combine efforts to deal stern blows to illegal cotton purchasing and marketing along with the current ongoing campaign to deal strict blows to counterfeit products. Places where these kinds of illegal activities run rampant should promptly organize special struggles, assign special personnel to handle special and major cases, and in line with the law deal strict blows to law-breakers and criminals who participate in illegal cotton purchasing and marketing. Public security organs at all levels should actively coordinate with industrial and commercial administrative departments to close

down small ginning machines and [words indistinct] in society, and to strictly deal with acts that hinder supply, marketing, technology inspection, and industrial and commercial administrative departments from performing their duties in line with the law.

#### **Shandong Seizes Firearms, Bullets**

SK0909090894 Jinan Shandong People's Radio  
Network in Mandarin 2300 GMT 8 Sep 94

[Text] Thus far, the province has already ferreted out and seized 81,200 firearms and 230,000 bullets of various kinds; has solved 315 cases involving firearms; and has discovered and apprehended 956 violators of the law and criminals involved in firearms cases, thus eliminating a hidden peril to the social order.

#### **Shandong's Weifang City Establishes New District**

SK0909090694 Jinan Shandong People's Radio  
Network in Mandarin 2300 GMT 8 Sep 94

[Text] On 8 September, the city of Weifang's (Kuiwen) District formally hung up its signboard and opened to the public for official business. Vice Governor Wu Aiying attended the inaugural meeting of the (Kuiwen) District.

#### **Foundation for Shandong Press Mansion Laid 8 Sep**

SK0909115494 Jinan Shandong People's Radio  
Network in Mandarin 2300 GMT 8 Sep 94

[Text] On 8 September, the Shandong Press Mansion laid its foundation in Jinan. Han Xikai, deputy secretary of the provincial party committee; Wang Jiangong, vice governor of the province; and leading comrades of departments concerned attended the foundation laying ceremony. Jiang Chunyun, secretary of the provincial party committee, and Zhao Zhihao, governor of the province, respectively wrote inscriptions for the mansion. Jiang Chunyun's inscription read: Correct Guidance. Zhao Zhihao's inscription read: Developing Shandong's Press Undertakings.

Built with investment from the DAZHONG RIBAO Agency, the Shandong Press Mansion will be the first intelligence-oriented building in the province. Upon completion, this mansion will be equipped with a national integrated computer network system which will be linked with the national information expressway currently under construction. This mansion will also be able to provide proper information for press units all over the province.

#### **Shanghai Welcomes Foreign Investment in Power Industry**

OW1309025394 Beijing XINHUA in English 0153  
GMT 13 Sep 94

[Text] Shanghai, September 13 (XINHUA)—Shanghai welcomes foreign business people to build power plants

with their own capital in this largest economic center in China, according to the INDUSTRIAL AND COMMERCIAL TIMES.

A recent international seminar on investment in China's power industry disclosed that Shanghai plans to double its present power generating capacity up to between 12 million kilowatts and 13 million kilowatts in five years to ensure its economic growth and meet the needs of its residents.

To achieve the objective, the municipal government has decided to adopt "BOT" [expansion unknown] practices, under which foreign business people are encouraged to build power plants with their funds, manage the plant and generate electricity by themselves for a certain period and then transfer the plant to the Chinese side.

Experts from 11 countries and regions to the seminar appreciated the move and showed strong interest in Shanghai's power expansion plan.

#### **Zhejiang To Develop Bonded Market For Production Equipment**

OW1009141294 Beijing XINHUA in English 0753  
GMT 10 Sep 94

[Text] Hangzhou, September 10 (XINHUA)—Preparation is under way to set up a bonded market for production equipment and raw materials in Ningbo, one of China's open coastal cities in Zhejiang Province.

Covering 8,000 square meters, the market is located in the west of the Ningbo Bonded Zone, which has housed more than 1,000 registered enterprises with an annual import and export volume totalling 150 million U.S. dollars.

An official in charge of the market said that the market is aimed at supplying raw materials, machine parts and equipment to the enterprises in the zone and foreign-funded businesses outside the zone, and offer place and service for them to sponsor exhibitions, trade seminars and technical exchanges.

According to the official, the market plans to set up 50 special bonded trades, and carry out spot transactions and sell goods on a commission basis.

#### **Zhejiang Network Launches Economic Station 8 Sep**

OW1209145294 Hangzhou Zhejiang People's Radio  
Network in Mandarin 1000 GMT 6 Sep 94

[From the "Provincial News Hookup" program]

[Text] On 8 September at 1800 [1000 GMT], Zhejiang Cable TV Network's Economic Station—Zhejiang's first TV station named to indicate its economic orientation—will begin broadcasting.

After being approved by the provincial party committee's Propaganda Department, Zhejiang Cable TV Network's Economic Station was established in accordance with a plan approved by the Radio, Cinema, and Television Ministry and the provincial people's government regarding the independent production of five sets of programming by the cable TV network, and based on the concept of being systematic and professional. In preparing for the station's establishment, the station was greatly supported by Zhejiang's GAIGE YUEDA magazine.

During its one-hour self-produced program, the station focuses on broadcasting economic reports and spreading economic information. The program has a rich flavor of family life and a distinct feature of daily life. In addition, viewers can also watch many interesting entertainment, music, and sports programs, as well as TV programs in which captions are provided.

#### **Central-South Region**

#### **Guangdong Governor Says Price Control 'Priority' Task**

HK1309101994 Guangzhou Guangdong People's Radio  
Network in Mandarin 0400 GMT 7 Sep 94

[Text] At a national televised telephone meeting on commodity prices held by the State Council yesterday afternoon, Governor Zhu Senlin delivered a speech on Guangdong's firm determination to implement the instructions of the party Central Committee and the State Council concerning controlling inflation and excessive price hikes.

Zhu Senlin said that the provincial government's priority task in the second half of the year is to control inflation and stabilize commodity prices, and that we will strive to keep this year's retail price increase rate lower than last year. The main measures to be taken are as follows:

First, all levels of government will be required to implement the responsibility system to control commodity prices, and controlling commodity prices will be taken as the main criterion for assessing the achievements of governments at all levels.

Second, attention will continue to be paid to ensuring the supply of rice and vegetables and to increasing [the supply of] essential products.

Third, investment in fixed assets will be resolutely controlled.

Fourth, consumption funds will be regulated and controlled more strongly to prevent them from increasing excessively.

Fifth, price management will be strengthened and price increases will be controlled by means of law.



**Guangzhou Enforces New Regulations on Dishonored Checks**

HK1309095594 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1031 GMT 15 Aug 94

[Text] Guangzhou, 15 Aug (ZHONGGUO TONGXUN SHE)—With effect from today, any enterprise or financial institution violating the bank settlement system will be severely punished. This is a decision made by the Guangzhou branch of the People's Bank of China [PBOC] in a bid to enforce discipline in settlement, maintain the credibility of checks, and eliminate the phenomena of arbitrarily dishonoring checks.

In future, all banks in Guangzhou must impose penalties on their account holders, whether enterprises or individuals, for bouncing checks. If a bank fails to punish such customers due to private relationships, the bank will be punished by the PBOC Guangzhou Branch. If an enterprise or bank dishonors a check arbitrarily without any reason irrespective of the settlement regulations, the unit whose check is dishonored may report it to the PBOC Guangzhou Branch and request an investigation.

At the beginning of this month, the PBOC Guangzhou Branch issued a circular to all financial institutions participating in check clearing in Guangzhou, calling on them to conscientiously put into practice the 11-item regulations on clearing and dishonoring checks. According to the regulations, checks dishonored after being cleared should be reexamined by supervisors, and no checks should be dishonored on the grounds of the "amount exceeding a limit," the "use of funds being unclear," the "check is unstandardized," and so on. Those who draw bounced checks or affix seals different from those in the records will be punished on the same day without exception. Financial institutions who fail to impose penalties in accordance with the regulations will be punished by the PBOC Guangzhou Branch for 3 to 5 percent of the amount involved, and those dishonoring checks arbitrarily will also be punished by 3 to 5 percent of the amount of the dishonored checks once they are certified after relevant investigations.

**Hainan Maintains Momentum in Increasing Tax Revenue**

HK1309083094 Haikou HAINAN RIBAO in Chinese 9 Aug 94 pp 1, 3

[Commentary by staff reporter Lu Yan (0712 1484): "Hainan Witnesses a Steady Growth in Financial and Tax Revenues in the First Half of the Year"]

[Text] Hainan has maintained the momentum of a continuous growth in financial revenues since the beginning of this year. Statistics show that in the first six months of the year, local financial revenues reached 1.2808 billion yuan across the province, up by 270.24 million yuan over the same period last year, a 26.7 percent increase; financial expenditure for the whole province was 1.54878 billion yuan, accounting for 37.8

percent of the annual budget, up by 249.95 million yuan over the same period last year, a 19.2 percent increase.

The main reason for the increase in Hainan's financial revenues in the first half of the year was the comparatively sharp rise in key tax revenue sources in the wake of a series of financial and tax reforms in the province. This primarily found expression in a rather sharp rise in turnover tax. In the first six months of the year, 609.88 million yuan of turnover tax revenue was paid, accounting for 72 percent of local business tax revenues and up by 194.42 million yuan over the same period last year, a 46.8 percent rise; of which banking and insurance business tax revenue constituted 131.36 million yuan, up by 99 percent from the 66.01 million yuan for the same period last year. The province's banking departments have accelerated their system for settling accounts; in financial handling, they have converted from "cash basis accounting" to "accrual basis accounting," in addition to the banking system grasping firmly the recovering of loans due and overdue, with recovery of credit loans increased, thus promoting an increase in tax revenues by a wide margin. The fruits of the strategy of the provincial party committee and government characterized by unconventional development of tertiary industry, with the tourist industry as the locomotive, have also found expression in tax revenues; tourist turnover tax revenue was 128.88 million yuan in the first six months of the year, up by 79.3 percent over the same period last year. Transportation and communications turnover tax revenue was 26.41 million yuan, up by 86.9 percent over the same period last year. In the situation of real estate business "cooling off," real estate companies in the province have adopted new ways of promoting sales, with marketing of commodity housing increasing by 1.4 times over the same period last year. Real estate development, building and installation enterprises handed over turnover tax of 110.29 million yuan, up by 28.25 million yuan, a 34.4 percent increase.

Enterprise income tax revenue also went up by a wide margin. Enterprise income tax revenue of the whole province was 189.32 million yuan in the first six months of the year, up by 43.5 million yuan over the same period last year, a 29.8 percent increase. Hainan has increased the scale of reform and accelerated enterprises' conversion of the managerial mechanism, continuously improving economic returns. In addition, the period of some enterprises enjoying a preferential policy in taxation has expired, thus creating conditions for an increase in income tax revenue. This year, Hainan taxation departments have firmly grasped payment of 1993 income tax on a consolidated basis, with coverage of tax-paying enterprises conducting self-checking up to 100 percent, and the number of enterprises under key checking exceeding an average 50 percent in the whole province, up to the requirements of the state. The province has also grasped firmly enterprise tax payment; in Haikou alone, enterprise income tax collected was 86.69 million yuan, up by 42.73 million yuan over the same period last year, a 97.2 percent rise. This year has

seen a comparatively fast development in collective enterprises and privately owned enterprises; consequently, the income tax revenue from enterprises in these categories has increased by a considerable margin, the increases being 14.86 million and 4.76 million yuan respectively over the same period last year, up by 13.7 percent and 417 percent [as published] respectively.

The province's real estate business cooled off in the first half of the year, with a cut in newly requisitioned land; consequently, the farmland use tax revenue paid was 21.88 million yuan, a 17.03 million yuan decrease over the same period last year, a 43.8 percent drop. In addition, owing to the preferential policy, enterprises were exempted from making contributions to the "two funds," in the first half of the year, and the province's state budgetary readjusting fund and energy resources and transportation and communications key construction fund were cut by 13.41 million and 49.59 million yuan respectively over the same period last year, down by 72.9 percent and 69.9 percent respectively.

From the angle of task-fulfillment, 49.5 percent of the annual plan for the provincial financial revenue was fulfilled in the first half of the year. This was the first time since Hainan became a province that the provincial financial revenue had failed to fulfill 50 percent of the annual plan by the end of June. The imbalance between various cities and counties in financial revenues has been aggravated. Of the 1.00093 billion yuan of local business tax revenues, only eight counties collected over 10 million yuan. Haikou was the only exception, with a revenue of 717.37 million yuan in this category. From the angle of industrial tax revenue, the proportion of tertiary industrial tax revenue has grown, accounting for 80.8 percent of business tax revenue volume. The proportion of secondary industrial tax revenue dropped relatively.

Summing up the aforesaid conditions, of Hainan's 17 categories of tax revenues, in the first half of the year, with the exception of shrinking value-added tax from domestic industrial links and consumer tax, the other 15 categories increased somewhat over the same period last year. Under the conditions of extremely tight money supply and high-rate growth last year, Hainan's tax revenue has mounted another new, higher plane.

#### **Hainan Survey Shows People Receptive to Tax Reform**

*HK1309044494 Haikou HAINAN RIBAO in Chinese  
4 Aug 94 p 1*

[Report by Xie Yunhai (6200 0061 3189): "Survey Shows Enterprises and Residents in Haikou Have Great Capacity To Withstand Pressure From Tax Reform"]

[Text] From 1 to 10 June, the Social Survey System of the State Commission for Restructuring Economy asked the Haikou City CPC Party Committee Office for Restructuring Economy to conduct a survey of enterprises and urban residents in Haikou. The results of the

survey show that enterprises and residents in Haikou have a great capacity to withstand pressure from tax reform.

The survey employed the random sampling method, whereby 30 units were chosen from basic-level enterprises under the Haikou Industry and Commerce Administration and 30 persons aged 18 or above were chosen from residents in the eastern district of the city. Questionnaires were given to them. The major information revealed by the survey results regarding tax reform were as follows:

—"Which tax in tax reform are you more concerned about?" The votes cast were "Consumption tax" (18 votes), "personal income tax" (12), "value-added tax" (9), "land value increment tax" (6), "business tax" (3), and "business income tax" (1). This shows that following the further improvement of the living and consumption standards of Haikou residents, they are more concerned about the "consumption tax" and the "personal income tax" which have a direct bearing on their immediate interests.

—"After the regulations on the consumption tax and the value-added tax were published, did you buy goods earlier than you would otherwise have bought in 1994 or that you did not intend to buy?" One hundred percent of them answered "no." This shows that Haikou residents are already psychologically prepared for "tax reform" and have a great capacity to withstand its pressure. Therefore, no "panic purchasing" ever occurred in Haikou.

—"If the tax burden increases, what method is your enterprise going to adopt to lighten it?" Sixty-five percent of the surveyed enterprises answered that "they would improve the internal management mechanism," 20 percent said that "they would increase prices," and 15 percent answered that "they would ask for tax exemptions and reductions." This shows that the majority of them have a correct understanding of "tax reform" while possessing a great capacity to withstand its pressure.

—"What are the most immediate problems to be resolved in the current tax reform?" The majority of the enterprises called for giving greater publicity to and education about "tax reform" and the tax law, enhancing the whole people's awareness of taxation, and establishing a scientific and strict system of tax collection and management. Their specific requests mainly include the following: First, strengthen the collection and management of personal income tax. Second, strengthen the management of tax reimbursement for export and deal severe blows against fraudulent acts in claiming tax reimbursements for exports. Third, strengthen the management of tax bills. Fourth, adopt effective measures against tax evasion. All this shows that enterprises in Haikou care for, understand, and support "tax reform."

**Foreign-Funded Power Plant To Be Built in Hainan***OW1309051494 Beijing XINHUA in English 0424 GMT 13 Sep 94*

[Text] Haikou, September 13 (XINHUA)—A new foreign-funded power plant will be built in south China's Hainan Province, the local power industry officials said.

The power plant, which is to be built by the world's two power giants, the U.S. Enron Development Corp. and W.T.C. Enterprises Inc., will have a total generating capacity of 150,000 kw.

With an investment totaling 110 million U.S. dollars, it will be operated by the U.S. companies in line with the international practices for the first 12 years when completed next fall. And after that, it will be transferred to the Hainan Power Company.

**Typhoon No. 19 Hits Hainan, Causing Serious Losses***HK1309091694 Haikou Hainan People's Radio Network in Mandarin 2300 GMT 30 Aug 94*

[Text] Typhoon No. 19 hit Lingao, Danzhou, Chengmai, Dingan, Qionghshan, and other cities and counties in Hainan, causing serious losses. According to initial statistics, throughout the province, 5,500 houses totaling 59,700 square meters were damaged; 174 houses totaling 481 square meters [as heard] collapsed; 43,397.8 hectares of crops were destroyed, of which 1,987.3 hectares of grain crops including late rice and 23,610 hectares of industrial crops including melons and vegetables were submerged; 13 reservoirs were burst; 3.4 km of river and sea embankments were damaged; 323 small reservoirs in hilly areas and water gates were burst; and a number of communications and telecommunications facilities were damaged, causing direct economic losses of 133 million yuan.

Party and government leaders at all levels all attached importance to the current wind and flood fighting effort and made prompt arrangements for the work. The provincial agricultural department, the provincial water resources bureau, the provincial three preventions headquarters, and other provincial departments transferred personnel to form five working teams and sent them to the Nandu Jiang valleys and cities and counties along the river to help local authorities carry out the flood-fighting work. The cities and counties also formed their own disaster-fighting teams and sent them to the grass-roots units to mobilize the masses of people to fight the winds and floods. Because all administrative levels attached importance to the work, took prompt actions, and made good preparations in advance, no injuries or deaths were reported in the current fighting against winds and floods and property losses were thus minimized.

Yesterday afternoon, the general office of the provincial government held a meeting. After hearing reports on

losses caused by the winds and floods submitted by the disaster-fighting teams sent to the various cities and counties, Vice Governor Chen Suhou urged leaders at all levels to attach great importance to and effectively do a good job of the work in various fields following the events, mobilize the masses to resume production and make up for losses, and ensure that a bumper harvest could be reaped in late rice production this year. The submerged late rice fields should be drained and field management should be strengthened. We should make greater efforts to repair the damaged water conservancy works and communications and telecommunications facilities. We should continue to make preparations against winds and floods, not slacken our vigilance, and ensure that the urban and rural areas pull through the flood season safely. We should help flood victims solve practical problems, resume production, and rebuild their homes.

**Hunan Province Establishes State, Local Tax Bureaus***HK1209135894 Changsha HUNAN RIBAO in Chinese 16 Aug 94 p 1*

[By You Liwen (3266 0448 2429): "Hunan Provincial State Taxation Bureau and Hunan Provincial Local Taxation Bureau Set Up"]

[Text] On 15 August, the Hunan Provincial State Taxation Bureau and the Hunan Provincial Local Taxation Bureau were officially established. Provincial party and government leading comrades [Governor] Chen Bangzhu, Wang Keying, Zheng Peimin, Zhou Bohua, Zhou Shichang, and Tang Zhixiang attended the ceremony to mark the establishment of the bureaus.

The organization and establishment of the two tax organs in Hunan Province was carried out under the leadership of the provincial party committee and the provincial government following thorough discussion and preparation. The separate organs will respectively carry out tax collection and management in accordance with the arrangements made by the State Council.

**Hunan Invests in Improving Transport Facilities***OW1309053494 Beijing XINHUA in English 0516 GMT 13 Sep 94*

[Text] Changsha, September 13 (XINHUA)—Central China's Hunan Province has collected investment through multi-channels to develop transportation in the past several years.

Local government officials said that from last year, the province has raised more than 900 million yuan of funds to reinforce state investment.

According to the provincial government planning, by the end of this century, the province will pump over 20 billion yuan into the building of 1,000 km first-grade



special-purpose highways and 595 km second-grade highways. [sentence as received]

Presently Hunan has nearly 60,000 km highways, of which only about 2.1 percent are second-grade highways.

However, local officials said that conditions were changing for the better. This year, the province will complete construction of more than 150 km of highways above second grade.

Meanwhile, construction of railways is accelerated. It is expected that the railways in the province will be extended by more than 200 km in the near future.

During the past several years, Hunan has invested a total of over two billion yuan in improving inland water transportation.

Officials said that after two major projects are completed, the Xiangjiang river, the main water channel in the province, will have the ability of receiving boats above 1,000 tonnages.

Improved transportation conditions promote economic development in the province. Statistics show that during last year only, the province approved more than 1,300 overseas-funded enterprises, which involved 430 million U.S. dollars of foreign investment.

### Southwest Region

#### Sichuan Pork Production Up Jan-Jun

OW1309034494 Beijing XINHUA in English 0314  
GMT 13 Sep 94

[Text] Chengdu, September 13 (XINHUA)—Sichuan Province, the largest pork producer in China, sold some 30.52 million head of pigs in the first half of this year, a 5.7 percent increase over the same period last year.

The pork output of Sichuan in southwest China in the first six months of this year amounted to 2.01 million tons, a rise of 7.5 percent over last year.

By the end of June, there were 70.04 million pigs in stock in the province, a growth of 1.46 percent, according to provincial statistics.

The sustained growth in production has enabled a growth in the local supply of pork as well as the province's pork supply to other parts of the country. Pork prices in Sichuan, China's most populous province with a population exceeding 100 million, are the lowest in China, provincial officials in charge of agriculture said.

Zhang Xinqin, director of the provincial livestock and foodstuff office attributed the growth of pork output to the province's enhanced efforts in livestock breeding.

At the end of last year, the provincial government proposed a new task to increase the average income of

the farmers by 100 yuan in 1994 and decided that livestock breeding should play a major role in fulfilling the task.

Since then, the provincial as well local governments have offered preferential policies for the pig raisers.

In order to promote pig production, the provincial government encouraged the farmers to expand the growing areas of sweet potatoes and corn so as to ensure the supply of good-quality pig feed.

So far, the province has established more than 1,500 feed plants. A new feed plant with an annual capacity of 100,000 tons and equipped with Swiss-made machines is being built in the province.

Efforts have also been made to encourage the farmers to raise more pigs, including the building up of a disease prevention network, an information network, giving loan priorities and offering insurance policies for pig-raisers.

To help with the trading of pigs, China's first meat futures market was set up last December and a trade fair of livestock products was staged last March in the province.

The province has invested 40 million yuan since the beginning of this year in the construction of meat processing plants and lean pig breeding bases. Now the province boasts more than 300 such plants, and 98 such bases.

In order to improve the quality of meat, the province has also adopted international standards to set up 20 breeding bases designed to produce meat for the international market.

In addition, the provincial legislative organ has promulgated a series of laws and regulations this year concerning the hygiene, taxation, price and quality control in the aspects of processing, storing, transporting, and trading of pigs and pork.

#### Tibet Urges Upholding of Struggle Against Dalai Lama

OW1209120994 Lhasa Tibet Television Network in Mandarin 1200 GMT 8 Sep 94

[From the "Regional News Hookup" program]

[Text] On the afternoon of 8 September, the Sixth Enlarged Plenary Session of the Fourth Regional Party Committee called a meeting for subcommittee chairmen to discuss ways to seize the current opportunities to expedite Tibet's development.

Regional Party Committee Secretary Chen Kuiyuan; Deputy Secretaries Raidi, Gyaincain Norbu, Guo Jinlong, Basang, and Danzim; and Regional Party Committee Standing Committee members Yang Quantang,

Pucung, Lu Huiming, and Li Guangwen heard the chairmen's reports about their subcommittee members' study and discussion of the talks by Comrades Raidi and Gyaincain Norbu.

During the meeting, which was chaired by Chen Kuiyuan, the subcommittee chairmen presented their ideas and measures for their cities and counties to develop their resources in light of their actual situations, taking advantage of the current opportunities [Video shows Chen Kuiyuan making an impromptu speech. Raidi and Basang are seen sitting at Chen's left hand side, and Gyaincain Norbu is seen sitting at Chen's right hand side.]

The subcommittee chairmen unanimously maintained that the talks by Raidi and Gyaincain Norbu fully embodied the guidelines laid down by the Third Forum on Tibetan Affairs, had a high degree of unity with the Central Committee's cardinal policies, were in line with Tibet's actual situation, and represented major breakthroughs in many respects—especially those about stabilizing Tibet's situation and developing its economy. They said the talks will serve as Tibet's action program for a long time to come.

Addressing the meeting, Comrade Chen Kuiyuan said that, while developing their businesses in the future, all prefectures, cities, and counties should give priority to setting up village and town enterprises. On how to understand the issue concerning the Dalai Lama, he said: We must always uphold the nature of our struggle against the Dalai clique. This is not an issue of religious belief or autonomy. This is an issue about safeguarding our motherland's unification and opposing division. The is a contradiction between ourselves and the enemy.

Chen Kuiyuan expressed the hope that, after they return to their own prefectures, cities, and counties, the representatives will firmly implement the guidelines laid down by the Central Committee's Third Forum on Tibetan Affairs and make earnest efforts to open a new situation for Tibet's development.

#### **Yunnan Governor Views Economic Achievements**

*HK1309061894 Kunming Yunnan People's Radio Network in Mandarin 1000 GMT 1 Sep 94*

[Announcer-read speech by Yunnan Governor He Zhiqiang: "Forge Ahead To Make More Brilliant Achievements."]

[Text] Since the founding of New China, the people of all nationalities throughout Yunnan, under the leadership of the party Central Committee, have united, strived forward, and worked hard with enterprising spirit, bringing about earth-shaking changes in Yunnan, a multinational province on the southwest border of the motherland. Our province has made prominent achievements on all fronts of socialist construction. Particularly over the last 15 years of reform and opening up, guided by Comrade Deng Xiaoping's theory of building socialism

with Chinese characteristics, we have always persisted in centering on economic construction and continuously blazing new trails in economic construction, thus scoring inspiring, tremendous achievements.

From 1979 to 1993, the province's GNP increased from 6.9 billion yuan to 66.2 billion yuan, an increase of almost three times based on comparable prices, an annual growth of 9.7 percent; the gross industrial and agricultural output value increased from 9.5 billion yuan to some 97 billion yuan, an increase of 2.7 times, an annual growth of 9.2 percent; local revenues increased from some 1.1 billion yuan to 20.5 billion yuan, an increase of 16 times [as heard], an annual growth of 21 percent. In the last 15 years, we have fulfilled the first-step economic development strategic target, doubled the main indices for national economic and social development ahead of schedule, and the province's economic growth rate has not only surpassed the average growth during the 26 years before 1979 but has also exceeded the country's average. We can say that these 15 years have been a period in which Yunnan has registered the most remarkable and fastest economic growth since the founding of the PRC.

In developing the local economy, we have proceeded from Yunnan's specific conditions in adjusting the industrial structure. By fully utilizing Yunnan's unique and favorable conditions, we have selected industries which can help the masses to become better off and bring about increases in local revenues. We have formed industrial conglomerates which are based on superior resources and which cater to foreign and domestic markets.

First, the tobacco industry is rapidly taking shape.

Second, in the course of doing a good job in salt, rattan, and tea production, we have focused on developing metallic industries which have certain basic conditions and strong points, the processing industry, machine-building industry, rubber industry, intensive processing industry, and tourism.

Third, power supply, the food industry, animal husbandry and its processing industry, medicine, spices, phosphorous products, flowers, and plants, which are all superior industries with great potential, are gradually growing and expanding.

After obtaining certain accumulation through developing these superior industries, our province concentrated on infrastructural construction. Over the last 15 years, financial departments at all levels have spent more than 14.2 billion yuan on agricultural development. The proportion of financial expenditure for agriculture to the total financial expenditure has ranked first in the country in the last four consecutive years. During the Seventh Five-Year Plan, 44 large and medium irrigation projects were constructed; during the Eighth and Ninth Five-Year Plans, we will proceed with the construction of 50 large irrigation projects so that farmlands under

irrigation throughout the province will increase from the present 38 percent to 50 percent.

In transportation and telecommunications facilities construction, the province has invested some 20 billion yuan in building a number of major projects over the last 15 years, thus strengthening the development stamina and improving the investment environment.

Following economic development, urban and rural markets in Yunnan have flourished, purchases and sales have been lively, and there has been an adequate supply of production materials and consumer goods in the markets. In 1993, the province's commodity retail sales volume amounted to 29.5 billion yuan, an increase of 7.7 times over 1978 and an average annual growth of 15.6 percent. In the course of economic development, urban and rural people's income has increased by a wide margin and their lives have improved. Over the last 15 years, the per capita income of city and town people as well as the peasants has increased by 1.6 times, an average annual growth of 6.7 percent. This has been a period in which the citizens have obtained the fastest increase in their income since the founding of the PRC and in which the masses have gained the most benefit.

In opening up to the world, by seizing the rare opportunity of the state carrying out an omnidirectional opening up strategy and the international political and economic structures undergoing reorganization, Yunnan Province has focused its opening up on Southeast Asia and south Asia, initially forming a new opening up pattern which relies on southwest China, centers on Kunming City, takes open border cities as the forward position, makes Southeast Asia and south Asia the key regions, and faces the entire world. This has helped switch Yunnan from a backward position in opening up to a forward position.

Since reform and opening up, Yunnan Province has expedited the introduction of foreign investments and approved the establishment of 20 state- and provincial-level economic development zones, economic cooperative border areas, hi-tech development regions, and tourist regions and resorts. Foreign-invested enterprises are scattered in prefectures and cities throughout the province as well as in major industries. Foreign trade and tourism have rapidly developed and border trade has also made great headway. Over the last few years, in the course of consolidating and developing its economic and trade relations with more than 100 countries and regions in the world, Yunnan Province has further strengthened economic cooperation with the neighboring countries. In the province, there are nine state-level ports, eight provincial-level ports, and some 90 exit channels, forming a three-dimensional port structure of waterways, highways, air routes.

Over the last 15 years of reform and opening up, more than 30 large enterprise groups have emerged in Yunnan Province, with state-owned units as the main bodies, comprising various economic sectors. Some of these enterprise groups have taken part in international

market competition outside the country and have formed a number of transnational groups.

In the course of paying attention to economic development and opening up, Yunnan has set the policy of taking education as the foundation to invigorate the province by means of science and technology, giving priority to educational, scientific, and technological development and making great efforts to develop all kinds of social undertakings so that economic, educational, scientific, and technological development will promote each other.

Over the last 15 years, departments at all levels have increased their investments in education, science, and technology. Educational expenditure increased from 160 million yuan in 1978 to 2.17 billion yuan in 1993, up by 13.8 times; the investment in capital construction of education totaled 3.1 billion yuan in these 15 years, an annual growth of 28.2 percent; and the investment in capital construction of science and technology totaled 540 million yuan, an annual growth of 8.1 percent.

In the course of centering on economic construction, the Yunnan Provincial CPC Committee and Government have always persisted in carrying out material civilization on the one hand and spiritual civilization on the other; carrying out reform and opening up on the one hand and cracking down on crimes on the other; and carrying out economic construction on the one hand and forming the legal system on the other. They have profoundly conducted a struggle against corruption, thus bringing about a change for the better in party style, government style, and the general mood of society as well as stability in social order, ensuring the smooth carrying out of reform, opening up, and economic construction.

At present, China's reform, opening up, and economic development have entered a new period. We are facing a new situation of reform, development, and stability. In accordance with the country's three-step strategic target for economic development, we will maintain an annual growth rate of 9 to 10 percent in the GNP in the 1990's. In 1995, we will quadruple the GNP ahead of schedule; in the year 2000, the GNP will top 100 billion yuan, an eightfold increase, causing Yunnan's economy to rank among the country's medium-developed provinces and regions.

To promote and maintain Yunnan's sustained economic development, we should further emancipate the mind and seize the opportunity to actively promote all kinds of reforms aimed at building the socialist market economic structure; we should further expand the opening up scope, strengthen socialist spiritual civilization and the formation of the democratic and legal system, preserve political stability, and bring about overall social progress so that Yunnan's two civilizations will develop to new heights.



**North Region****Beijing Secretary Hears Reports on Education***SK1309094194 Beijing BEIJING RIBAO in Chinese  
3 Sep 94 p 1*

[Excerpts] Chen Xitong, secretary of the municipal party committee, and Li Qiyang, mayor of Beijing, heard reports on the morning of 2 September on districts' and counties' implementation of the guidelines of the national and municipal educational work conferences. Chen Xitong emphasized: We should implement the guidelines of the educational work conferences in line with the specific conditions of our own localities and units, achieve a good command of the guidelines, and, based on reality, enhance our understanding of the strategic importance of education as the work to be developed on a priority basis, achieve breakthroughs in key areas, and promote education to a new stage. Li Zhijian, deputy secretary of the municipal party committee, and others were present to hear the reports. [passage omitted]

Chen Xitong said: Judging from the reports, plain, mountainous, and urban areas have adopted their own methods in line with their specific conditions. When we stress the need for implementing the guidelines in line with specific conditions, we mean to implement in line with the specific conditions in our ideology. A common understanding has not been reached concerning the issue of putting education in a strategic position for development on a priority basis. Lacking a sufficient understanding, many people still set educational development against economic development. Strategic position, unlike tactical position, is a long-term and fundamental issue concerning orientation. The economy cannot be promoted without the trained personnel in various fields; and education should be developed ahead of others to meet the needs in economic development. If education is not developed ahead of others, the economy cannot be promoted. This issue concerning understanding should be discussed repeatedly. When problems in understanding are resolved, more methods and ideas will come up. We also mean to implement the guidelines in line with the specific conditions in work. When we are clear about the issues to be resolved in order to promote education to a new stage and the problems that hinder the progress of education, and when we pay attention to the major contradictions in work and achieve breakthroughs in key areas, we will attain twice the result with half the effort.

Duan Bingren, Hu Zhaoguang, and Chen Dabai were also present to hear the reports.

**Municipal Government Helps Beijing's Private Sector Grow***OW1309052794 Beijing XINHUA in English 0509  
GMT 13 Sep 94*

[Text] Beijing, September 13 (XINHUA)—The private sector in Beijing, the Chinese capital, has been growing fast thanks to the encouragement and support from the municipal government.

By the end of June this year, the city had a total of more than 246,000 individual household commercial and industrial businesses, up five percent over the comparable figure for last year.

The number of private enterprises has reached 6,000, which represented an increase of 47 percent over last year. These enterprises have employed nearly 80,000 employees, 39 percent than last year. The registered capital of the enterprises surpassed 1.9 billion yuan.

Local economists said that the production and management scale for Beijing's private enterprises have been expanding.

Last year, the output value of these enterprises was more than 38 million yuan, and their sales volume climbed to over 120 million yuan.

Some large company groups appeared, which include a company producing civilian-use light aircraft. Being first of its kind in the country, the company has Asia's largest production base for producing light and small aircraft.

At present, nearly 50 private enterprises in Beijing have attracted overseas investment. About 100 enterprises have sold their products overseas, and earn more than seven million U.S. dollars annually.

**Beijing Plans To Use More Foreign Funds***OW1309025294 Beijing XINHUA in English 0152  
GMT 13 Sep 94*

[Text] Beijing, September 13 (XINHUA)—Beijing plans to absorb an additional three billion U.S. dollars in infrastructural facilities and technical upgrading by the year 2000, according to the market news.

The municipality opens a seminar today to display its successes in the use of foreign loans and investment.

By June this year, according to the municipal commission of foreign trade and economic cooperation, the capital had used 150 batches of foreign loans totalling 1.58 billion U.S. dollars.

These loans were used mainly in the fields of industry, agriculture, food processing, breeding of fresh water products, research in environment protection and medicine.

Starting from now on to the year 2000, Beijing plans to spend 1.5 billion U.S. dollars of foreign loans on urban construction and the rest on upgrading its industry and agriculture technically.

So far, the capital has repaid its debts on schedule.

**Beijing Permits Individuals To Lease Wastelands***HK1209143494 Beijing ZHONGGUO XINWEN SHE  
in English 1211 GMT 12 Sep 94*

[Text] Beijing, September 12 (CNS)—A bill passed by the Beijing Municipal People's Congress stipulates that

individuals are allowed to have the rights to the use of wasteland within Beijing's territory.

According to the new law, Beijing municipality will provide 1.917 million mu of waste mountains and more than 300,000 mu of dried waste riverbed for public bidding. Not only units or individuals in Beijing but also those outside Beijing can participate in bidding.

After being leased, wasteland can be inherited or transferred with payment. The law also stipulates that the maximum term of lease is 70 years, facilitating lessees to fully benefit from wasteland.

The law also stipulates that leased wasteland can be only allowed to be used for forestry, farming and breeding industry. Real estate development on such wasteland will be banned, nor for selling of the rights of use. Rights to the leased wasteland should be revoked without payment should it fail to be developed within a set period of time.

Lease of wasteland is seen as an effective way for Beijing to develop the economy of mountainous areas. In fact, the practice of wasteland lease started as early as last winter and this spring. Economy in mountainous areas has been one of the difficulties for the city to achieve the goal of the realization of a "well-off living standard". The move is also seen as one of measures taken by the municipality to speed up afforesting its territory, since the municipality is striving for a goal of 38 percent of forest cover.

#### Beijing To Limit Pet Raising in Urban Districts

OW1109152794 Beijing XINHUA in English 1424  
GMT 11 Sep 94

[Text] Beijing, September 11 (XINHUA)—Beijing is to set rigid limits upon raising pet dogs in its urban districts.

It is learned that a revised draft of regulations has been submitted to the municipal people's congress for deliberation. Local newspapers will carry the draft soon, and a committee will be specialized in collecting opinions from the residents.

It is estimated that of more than 190,000 dogs in Beijing at present, 70,000 are in urban areas, 3.5 times the figure in 1986.

To cater to rising needs, pet shops and pet hospitals have emerged in the city.

However, the increasing number of dogs has threaten people's lives, as more cases of being bitten by rabid dogs have been reported.

Beijing residents have called on the local government to restrict pet raising. At the latest session of the people's congress, more than half of the deputies put forward a bill, calling for drafting regulations in this regard.

According to the draft, in the eight urban districts, no units will be allowed to raise dogs, except those with official approval for military, security, police and other special purposes. Reproduction, sales and exhibition of dogs for business purposes are forbidden.

Raising of big and fierce dogs are forbidden. The dog-raising applications from foreigners who reside in Beijing need to be approved by the municipal public security bureau.

A permission certificate and an identification card will be issued for each dog, after medical check-up and injection of rabid vaccine.

#### XINHUA Highlights Inner Mongolian Official's Work, Life

OW1009074794 Beijing XINHUA in English 0711  
GMT 10 Sep 94

[Text] Hohhot, September 10 (XINHUA)—Qizhongyi, 67, looks in every way like a college professor, a man of letters, and in fact, he is seen as one of the most outstanding historian specializing in the history of Mongolians.

However, few people know that he was once a man of immense royal power on the Mongolian grasslands. Local Mongolians approach him with different complaints today and he gives advice to the local administrative authorities with regard to accelerating local economic growth and improving people's living standards. As an old man, he is quite happy with his life today, writing and enjoying himself among his children and grandchildren.

Qi was the 34th linear descendent of Genghis Khan, the once supreme ruler on the grasslands. He succeeded the hereditary title "Prince of Ordos" from his father in July 1949, four months before the People's Republic was founded. Two months later, he led his troops in an uprising against the Koumintang rule and contributed to the liberation of the grasslands. This means he had given up his life as a prince.

The skinny old man still clearly remembers his legendary life experience. Qi, now vice-chairman of the Inner Mongolia Regional Committee and the 1h Ju League Committee of the Chinese People's Political Consultative Conference (CPPCC), has recently published an autobiographic book "The Last Prince" which records his experience from a feudal prince to an official in the new society.

His contributions as a historian are fully recognized, and his suggestions are fully taken care of by the regional and prefectural governments. He said much of his advice had been adopted by governments at various levels, citing one proposal on limiting wasteland reclamation, speeding up afforestation and protecting the ecological environment in Ordos.

In his specious but simple house hangs a picture of him posing with China's senior leaders Jiang Zemin and Li Peng. He also keeps photos of him with late Chairman Mao Zedong and late Premier Zhou Enlai as well as other Chinese leaders.

Qi, often dressed in a grey Western-style suit and a pair of black Chinese-style cloth shoes, still keeps a Mongolian diet. He likes drinking milk tea all day long and takes fried-rice twice every day. Having a little wine at noon has become a new habit. "Food varieties have been more colorful than ever before," he said.

Watering and trimming flowers and trees in his backyard together with his wife also adds joy in his daily life. On Sundays, his sons, daughters-in-law and grandchildren would join the old couple to spend the weekend.

These are his spare-time pleasures. Otherwise, he is very busy, now working on a five-volume book series on Mongolian history. Two of the books, which are regarded as China's most authoritative of the kind, have been published. The books are hailed by Mongolian scholars in many parts of the world.

Besides the book series, Qi is also chief editor of "IH JU LEAGUE LOCAL CHRONICLES".

Qi speaks and writes in four languages: Mongolian, Han, Manchurian and Tibetan. He hopes to devote his remaining years to writing about the Mongolians and make them better known to the outside world.

#### **Tianjin Holds Conference on Stabilizing Prices**

SK1109044694 *Tianjin People's Radio in Mandarin*  
2300 GMT 10 Sep 94

[Text] On 10 September, at the municipal government-sponsored telephone conference to implement the spirit of the national conference on further strengthening management over commodity prices, Vice Mayor Zhu Liankang stressed: Stabilizing prices and checking inflation are a major issue affecting the overall situation and the success or failure of reforms. Leaders at all levels should pay great attention to it. He called for efforts to establish a system of responsibility on the basis of stabilizing commodity prices and enable the work of stabilizing prices to have a reliable guarantee. Meanwhile, it is necessary to exert continuous, strenuous efforts to grasp the vegetable-basket project and the building of non-staple food producing bases, expand the production scale, and raise product quality and economic efficiency. Through deepening reforms, we should grasp the work of stabilizing commodity prices as a long-term task. It is necessary to uphold the new purchasing and marketing forms such as direct supply and direct marketing, improve the wholesale markets, and study new methods for regulating and controlling nonstaple food prices as quickly as possible.

#### **Tianjin Holds Conference on Reducing Deficits**

SK1109042294 *Tianjin People's Radio in Mandarin*  
2300 GMT 10 Sep 94

[Text] The municipal government held a conference of industrial and communications departments on ending deficits and increasing profits on 10 September. The participants said that doing a good job in ending deficits and increasing profits and helping enterprises extricate themselves from a difficult position is one of the important tasks that bear on Tianjin's economic development, the progress of reforms, social stability, and improvements in workers' living standards. Leaders at all levels of the industrial and communications departments should pay great attention to this work, and should grasp it realistically and effectively.

At the conference, some units, including the municipal cultural and educational products general company and the organic synthetic products plant, respectively introduced their methods and experiences in ending deficits and increasing profits.

Since the beginning of this year, Tianjin has continued to maintain a trend of rapid growth in industrial production. From January to July, the total output value of industrial units at and above the township level increased by 15.5 percent over the same period last year; the economic efficiency of budgetary industrial enterprises began to pick up; the total profits and taxes they created increased by 9.4 percent over the same period last year; and deficits, the deficit volume, and the deficit range all showed a gradual downward trend.

Vice Mayor Li Huifeng called for efforts to deepen enterprise reform, accelerate the change of mechanisms, and promote the work of ending deficits and increasing profits. She said: Further efforts should be made to implement the system of responsibility to end deficits and increase profits, try by all possible means to serve enterprises and realistically help them solve practical difficulties. The upper and the lower levels and all sectors across the municipality should create good external conditions for enterprises.

#### **Tianjin Mayor Comments on Supporting the Poor**

SK1009020194 *Tianjin People's Radio in Mandarin*  
2300 GMT 8 Sep 94

[Text] On 8 September, the municipality held a forum on supporting the poverty-stricken areas to improve development.

In his speech at the forum, Zhang Lichang stressed: The party committees and governments at various levels, as well as the leading cadres, should always pay close attention to the living conditions of the poor households in the poverty-stricken areas, though they are small in number; approach from a political high plane and a high plane of the overall situation to understand and treat this issue; have a strong sense of dedication and a strong



sense of responsibility to support the poverty-stricken areas' development; organize and mobilize the people in the poverty-stricken areas to free themselves from poverty and seek wealth as soon as possible; and push the work of supporting the poverty-stricken areas' development to a new stage.

Zhang Lichang said in his speech: Through the recent study, the municipal party committee and the municipal government decided to concentrate energy on grasping the great matters relating to the people's livelihood and the social stability with a view to consolidating and developing the municipality's gratifying situation. As a municipality directly under the central government, Tianjin has no reasons to justify some people in the municipality being badly off. Although the enterprises with difficulties and the poverty-stricken villages only account for a small number, they affect the image of Tianjin as a whole, as well as the overall situation of reform, opening up, and economic development. This is a matter not only relating to the economy but also solemnly relating to the political and social situation.

Zhang Lichang urged: This year, the municipality should fix the poverty elimination target at more than 900 yuan of per capita yearly income and ensure that the per capita yearly income of the poverty-stricken villages of the municipality should reach 1,300 yuan and strive to be 1,400 yuan by 1997. Social relief should be provided for the small number of households with special difficulties. Next year, the children of school age in the poverty-stricken villages should accept compulsory education. No one is permitted not to attend school due to family difficulties.

Zhang Lichang also set forth requirements for actually accomplishing the support-the-poor work.

Municipal Leaders Ye Disheng, Zhuang Gonghui, Zhu Liankang, and Zhang Huanwen attended the forum.

#### **Tianjin Secretary Speaks at Teachers Day Rally**

SK1109040494 *Tianjin People's Radio in Mandarin*  
1000 GMT 10 Sep 94

[Text] The municipal party committee and the municipal government held a rally at the main auditorium of Tianjin Guesthouse this morning to celebrate China's 10th teachers day. Gao Dezhan, secretary of the municipal party committee, addressed the rally.

Zhang Lichang, deputy secretary of the municipal party committee and municipal mayor, presided over the rally. Wang Hongjiang, member of the standing committee of the municipal party committee, read at the rally the decision of the municipal party committee and the municipal government on commending the outstanding teacher pacesetters of ordinary educational units.

Municipal leaders presented certificates to 10 outstanding teacher pacesetters, including Wang Peide. Vice Mayor Zhuang Gonghui announced at the rally the

establishment of the Tianjin Educational Development Foundation. The purpose of this foundation is to raise funds for educational undertakings and to promote Tianjin's educational reform and development. Its establishment has manifested the municipal party committee and the municipal government's attention to educational work and the concern and care for the broad masses of teaching staffs.

In his speech, Gao Dezhan, secretary of the municipal party committee, first extended festive greetings and cordial regards to the broad masses of teachers and educational workers, who have been working hard on the educational front, and to all social sectors that care for and support educational work and have offered plans and exerted educational reform efforts on behalf of the municipal party committee, the municipal people's congress standing committee, the municipal government, the municipal committee of the Chinese People's Political Consultative Conference, and the people across the municipality. Gao Dezhan expressed hope that the broad masses of teachers across the municipality will strive to enhance their own quality, actively participate in educational reform, undertake the two heavy tasks of imparting knowledge and educating the people, give priority to moral educational work and education on patriotism, educate the young people to cultivate a correct outlook on life and the concepts of value and morality, and enable them to grow healthily in line with the demand of cultivating well-educated and self-disciplined people of a new type with lofty ideals and moral integrity.

#### **Police Commander Inspects Tianjin Armed Police Forces**

SK0909115694 *Tianjin People's Radio in Mandarin*  
2300 GMT 8 Sep 94

[Text] On 8 September, Lieutenant General Ba Zhongtan, commander of the headquarters of the Chinese People's Armed Police Forces, and Major General Shun Shuangzan, chief of staff of the headquarters, inspected the Tianjin headquarters of the armed police forces and watched a display of military skills.

Lieutenant General Ba Zhongtan urged the Tianjin headquarters of the armed police forces to cherish their achievements, keep forging ahead, further strengthen the construction of the police forces, and make greater contributions to Tianjin's social stability.

### **Northwest Region**

#### **Northwest Plans To Develop Electric Power Industry**

OW1209060394 *Beijing XINHUA in English* 0149  
GMT 12 Sep 94

[Text] Beijing, September 12 (XINHUA)—Northwest China plans to greatly develop the electric power

industry, with total power generating capacity exceeding 92 million kilowatt (kw) by the year of 2020.

Northwest China's electric power network covers Shaanxi, Qinghai and Gansu provinces, and the Ningxia Hui and Xinjiang Uygur autonomous regions.

With rich resources of energy, the area is proved to have coal reserves of 2,000 billion tons, and rich hydro-power resources which can produce 42 million kw, especially its Longyang and Qingtong gorges.

The Bailong and Hanjiang rivers in northwest are also proved to have rich hydropower resources, with possible generating capacity amounting to 5.55 million kw.

According to a recent meeting on northwest China's power industry, the plan is worked out based on three major steps.

The first step is to develop the power generating capacity in the area to reach 26.8 million kw by the end of this century, the second is to reach 53.7 million kw by 2012, and the third to reach 92 million kw by 2020.

#### **Gansu Province Establishes Separate Taxation Organs**

*HK1209135394 Lanzhou GANSU RIBAO in Chinese 31 Jul 94 p 1*

[By Wang Yingke (3769 2019 4430): "Gansu Completes the Setup of Separate Provincial-Level Taxation Organs"]

[Text] After more than half a year of preparations, in accordance with the State Council's instruction on setting up two separate taxation organs—the state taxation bureau and the local taxation bureau—under the leadership of the provincial party committee, the provincial government, and the state's general administration of taxation, the establishment of the leading bodies for the two sets of taxation organs at the provincial, prefectural, and city levels has been completed. The leading bodies of the two taxation organs at the county (city, district) level are still being organized. The personnel and property of the former taxation organ of Gansu Province have been divided into two parts, the State Taxation Bureau of Gansu Province and the Local Taxation Bureau of Gansu Province. The business affairs will also be taken over by the two new organs. As of this date, the State Taxation Bureau of Gansu Province and the Local Taxation Bureau of Gansu Province will use their own official seals and begin to perform their own functions. The Taxation Bureau of Gansu Province has ceased to exist.

#### **Qinghai Province Establishes State, Local Tax Bureaus**

*HK1209133194 Xining QINGHAI RIBAO in Chinese 14 Aug 94 p 1*

[Report by Lu Liling (7627 0448 3781): "Qinghai State Tax Bureau and Qinghai Provincial Local Tax Bureau Officially Established"]

[Text] The Qinghai State Tax Bureau and Qinghai Provincial Local Tax Bureau were officially established on the afternoon of 13 August.

Provincial party and government leaders [Party Secretary] Yin Kesheng; [Governor] Tian Chengping; Wang Hanmin; Gao Ni; Zhao Leji; Han Yinxuan; Quan Zhaoyun, deputy party committee secretary of the State General Tax Bureau; and other comrades attended the inauguration ceremony.

Yin Kesheng and Tian Chengping unveiled the nameplates of the tax bureaus. On behalf of the State General Tax Bureau, Quan Zhaoyun delivered the "Official Reply to the Plan for Establishing the Qinghai State Tax Bureau and the Qinghai Provincial Local Tax Bureau." Chang Junhua, deputy secretary general of the provincial government, read the "Circular on the 'Plan for Establishing the Local Tax Bureau' transferred and issued by the General Office of the Qinghai Government." Vice Governor Wang Hanmin announced the following: Quan Fanglou will be party group secretary and director of the Qinghai State Tax Bureau, while Jia Guoming will be director of the Qinghai Provincial Local Tax Bureau. Both Quan Fanglou and Jia Guoming delivered speeches at the inauguration ceremony.

On behalf of the Qinghai Government, vice governor Zhao Leji expressed his warm welcome to the establishment of the two tax bureaus and made the following three points: First, as required by the new tax system, the establishment of the State Tax Bureau and Provincial Local Tax Bureau in Qinghai has been arranged by the provincial party committee and government in light of the directives of the central authorities. The founding of the two tax bureaus ensures local as well as central revenue. Second, all types of work should be ensured by the relevant bureaus. As the tax work in the latter half of the year will be very difficult, the Finance Ministry and State General Tax Bureau have urged Qinghai to increase tax revenue by 18 percent based on the figures of the past two years. The establishment of separate bureaus seeks to appropriately collect revenue, which is related to the overall situation, ensuring the success of tax reform and the fulfillment of the budget. For this reason, in the entire course of the separation of the tax bureaus, it is necessary to make rational arrangements, overall planning, and guarantee that vocational work will not be affected. In light of the division of work and duties, the two bureaus should do a good job of transferring the work, particularly that related to all types of tax management materials. It is necessary to ensure convergence of work, gradually bring about a proper balance of various work in order of importance and urgency, appropriately resolve the specific problems, coordinate with one another, and systematically bring all the work onto the path of normal development as quickly as possible. Third, in the course of the separation of the bureaus, it is necessary to strictly observe the organizational discipline, strictly follow the spirit of the State Council, and

never do or say anything that would disadvantage the separation of the bureaus. No unit or individual shall be allowed to take the opportunity to illegally share public property or eat, drink, and travel at public expense. No units shall be allowed to willfully promote cadres or

enlarge the size of the staff. The government and financial departments at all levels should treat the two tax bureaus equally and give them equal attention and support so that the separation can embody a new style, unity, and vigor.



**Article Views Li Teng-Hui's Agenda for Asian Games***HK1009021094 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1002 GMT 9 Sep 94*

["Special article" by correspondent Li Hsiao-chun (2621 1321 6150)]

[Text] Hong Kong, 9 Sep (ZHONGGUO TONGXUN SHE)—Taiwan Li Teng-hui's most recent determination to attend the Hiroshima Asian Games wearing the crown of "president" has cast a worrying political shadow on such a grand gathering for Asian sports circles.

Taiwan Ministry of Foreign Affairs announced that Li Teng-hui's attendance at the Hiroshima Asian Games in the capacity of the "President of the Republic of China [ROC]" is purely participation in an international athletic event having nothing to do with politics; and the "Office of President" spokesman has also stressed that Li Teng-hui is going to Hiroshima primarily to cheer on Chinese athletes from Taipei, saying there really is no reason for people to object. Hearing this for the first time, one may feel that Li Teng-hui's Japan trip seems to be a case of "sports as sports and separate from politics;" though under scrutiny, one can easily find that Li Teng-hui wants only to show up at the event wearing the hat of "president," not to share in the Olympic halo. This then concretely mixes sports with politics and introduces, for no reason at all, a murky element that is upsetting and threatens cross-strait relations, into a pure athletic contest and gathering for the Asian sports world.

It is well-known that the PRC is the only member in the international olympic family and Olympic Council of Asia representing the Chinese government. Taiwan is a region in China; and it has returned to international games organizations as "China Taipei." Since the 1984 Los Angeles Olympic Games, Taiwan has entered into athletic competition as "China Taipei." There is no reason to believe Li Teng-hui does not know this game rule in the international sports world. But he chose of all things to cheer on athletes from China Taipei under the title of "ROC President." Is this not an act of highlighting "two Chinas" under the cover of the sport arena?

When associating this with Taiwan authorities' recent active effort to extend Taiwan's so-called international diplomatic space in the face of the recognition in the international community of "one China," Li Teng-hui's diplomatic activities when "vacationing" in South East Asia in February this year, and his visit to South America in May, one can easily discern the motive behind the enthusiasm of a politician to attend the Hiroshima Asian Games and tell whether such enthusiasm is directed toward sports or for "diplomatic purposes!"

Media on the Taiwan island has been rather frank about Li Teng-hui's Hiroshima trip, pointing out that Li Teng-hui has always been active in pursuing the concept of

"pragmatic diplomacy" and wants above all to visit countries such as the United States, Britain, and Japan. The Hiroshima Asian Games is the best, or even the only opportunity for Li Teng-hui to fulfil his wish of visiting Japan during his "presidency"—no wonder that he grabbed and held onto this opportunity for "visits to Japan." Media also pointed out that if—and this is more important—Li Teng-hui manages to arrive in Japan as a "head of state," he will become the focus of attention on an international occasion like this. So Li Teng-hui's attendance at the Asian Games is actually a "carefully planned scenario of a visit to Japan by a head of state."

However, the attractive package of Li Teng-hui's Hiroshima trip still fails to cover up his hidden political agenda. The trip itself is an affront to innocent athletic contest and sport. And Li Teng-hui's attendance at the Hiroshima Asian Games for the political purpose of highlighting "two Chinas" will certainly have the serious consequence of splitting up China and escalating tension between the two shores—something no country in the world which recognizes the mainland and agrees with the "one China" policy and no overseas Chinese desiring an early unification of China would want to see; this is also the fundamental reason why international opinion does not favor Li Teng-hui attending the Hiroshima Asian Games.

The Chinese government recently has reiterated many times its objection to the attendance by Li Teng-hui at the Hiroshima Asian Games and declared that his attendance will bring serious political troubles to the Hiroshima Asian Games.

**Editorial on Taiwan Separatism, U.S. Policy***HK1209141394 Hong Kong WEN WEI PO in Chinese 10 Sep 94 p A2*

[Editorial: "Separatist Activities Counter Historical Trend"]

[Text] Since the beginning of this year, the Taiwan authorities have stepped up their activities to split the motherland. Li Teng-hui and Lien Chan have made frequent trips to South America, Africa, and Southeast Asia to pursue so-called "flexible pragmatic diplomacy" in a big way, while dispatching a "lobbying team" to Washington to instigate several pro-Taiwan congressmen to promote an "amendment bill to the law on U.S.-Taiwan Relations," going all out to push the "escalation" of "U.S.-Taiwan relations." For this reason, Taiwan's "Vice President" Li Yuan-zu made a special trip to the United States to pursue "transit diplomacy" in an attempt to sound out the reaction of the Clinton administration. On 5 July, the Taiwan authorities published "Relations Across the Taiwan Straits," which is aimed at opposing reunification and insisting on separation. In its wake, the Taiwan authorities announced on 6 September that Li Teng-hui would participate in the Asian Games at Hiroshima in the capacity of "president." Does all this signify that the Taiwan authorities

will have some way out of promoting "double recognition" and "two China's"? The answer, of course, is "no."

On the very second day after the Taiwan authorities announced that Li Teng-hui would participate in the Asian Games in the capacity of "president," Japanese Prime Minister Tomiichi Murayama reminded the Taiwan authorities: Japan pursues a one-China policy. In addition, Murayama stressed: Japan "must consider the joint communique signed with China in the past." Such being the case, Li Teng-hui's trip to Japan "will probably be very difficult to come true." Furthermore, Prince Fahd, chairman of the Asian Games Council, has also disclosed that his plan to invite Li Teng-hui might be altered.

Immediately after the United States announced some measures concerning U.S.-Taiwan relations, Chien Fu, Taiwan's "minister of foreign affairs" dissipated his grievances extensively, and aired his three-point complaint: "1) Taiwan expressed the hope to add the name of the country to its related charge d'affaires office in the United States; however, this has not been accepted by the United States. 2) The United States continues to refuse senior officials, including the Taiwan president and Executive Yuan premier, to visit the United States, and they are only allowed to stay in transit; and 3) On the issue of Taiwan's intention of restoring its UN membership, the United States continues to maintain its one-China position, and will not support Taiwan."

Tomiichi Murayama's statement on where he stands, and Chien Fu's complaints against the United States demonstrate the fact that despite the Taiwan authorities' utmost efforts to promote "two China's" and "one China, one Taiwan" in the world, their wish will not come true. The Taiwan authorities should know that their dream of "Taiwan independence" is a day dream after all.

The Taiwan authorities believe that its "pragmatic diplomacy" might help in "ending their perplexed situation" in "seeking participation in the GATT and the UN." In pursuing their "pragmatic diplomacy," Taiwan has in recent years made voluminous investments in the Gulf area; consequently, they succeeded in inviting Kuwait's Prince Fahd to visit Taiwan and he met with Li Teng-hui on several occasions. Prince Fahd took the opportunity of the Hiroshima Asian Games and invited Li Teng-hui's participation, which was, in actual fact, returning a favor with a favor. Nevertheless, the international community recognizes only one China, and should something surface in some world games which aims to pander to Taiwan's political plot of "two China's" out of selfish motives, this would be counter to sportsmanship. Such being the case, they have failed to win the support of the other countries and regions participating in the Hiroshima Asian Games; consequently, Prince Fahd had to alter his words. Even the host country, Japan, has explicitly expressed where it stands: that it will observe the 1972 Sino-Japanese Joint

Communique in which Japan recognized only one China. This fully demonstrates the authority of the 1971 UN Resolution No. 2758 in which the representative of the Taiwan authorities and all its attached organizations were driven out of the United Nations, and thus the international community basically affirmed that Taiwan was not a country and that Taiwan could never participate in any government or nongovernment international activities in the capacity of a country. Li Teng-hui's attempt to promote "two China's" in the international community by taking advantage of the Asian Games is a dead end, because this goes counter to international criteria and the historical trend.

In their separatist activities, the Taiwan authorities have all along pinned their hope on the intervention of hegemonism and power politics in China's internal affairs. This has precisely revealed the true nature of the Taiwan authorities betrayal of national interests. Under circumstances where the United States is exerting great efforts to strengthen comprehensive cooperation with China, the United States has "upgraded" U.S.-Taiwan relations; nevertheless, it dares not rashly go back on its basic "one China" policy. This has exposed the contradictory U.S. mind set of being unable to decide whether to follow the historical tide of various countries in strengthening their relations with China. Clinton sent Ron Brown to visit China, who gave a letter handwritten by Clinton to Jiang Zemin, and Clinton himself is ready to visit China to seek the establishment of the most important business relationship with a China facing the 21st Century. Under such circumstances, he should not weave a cocoon and become imprisoned in it by seriously impeding the further development of bilateral relations with the Taiwan issue. Should the United States resort to some double-faced tactics, trying to gain profits from Taiwan while thinking about getting an annual \$25 billion of business from China over the next few years, this would be an incorrect decision. China has already reaped a bumper harvest in its all-directional diplomacy. Under such circumstances, should the United States create trouble in Sino-U.S. relations, it would only suffer consequences of its own doing.

The Chinese Government resolutely opposes any speeches and behavior aimed at pursuing or helping to split China's sovereign and territorial integrity, and opposes all attempts and methods that could lead to "two China's" and "Taiwan independence." At the same time, the international community recognizes that the PRC alone is the sole legitimate government of China. Such being the case, the Taiwan authorities separatist activities are entirely contrary to the historical trend.

#### **Commentary Views Intentions in Purchasing Arms**

*OW0809225594 Beijing Central People's Radio in Mandarin to Taiwan 2200 GMT 2 Sep 94*

[Commentary by Zeng Tao; from the "News and Current Events" program: "What Are the Taiwan Authorities' Intentions in Purchasing Foreign-Made Weapons?"]

[Text] The Taiwan authorities have purchased large quantities of weapons from foreign countries in recent years. In 1992, they spent \$6.4 billion on the purchase of 150 F-16 jet fighters—an amount that equalled the mainland's entire defense budget. The amount was even larger if the money spent for purchasing the French-made 2000 Mirage jet fighters and other U.S.-made weapons is also included. Last year, the Taiwan authorities purchased more than \$4.6 billion of weapons from the United States. Now the Taiwan authorities again want to spend more than \$1 billion on purchasing guided missiles and tanks. This means that the Taiwan authorities have spent more than \$10 billion on purchasing foreign-made weapons over the past two years.

Weapons are neither food that can be eaten nor clothing that can be worn. At a time when cross-strait relations are improving, there is absolutely no need for the Taiwan authorities to spend so much money, which the people on Taiwan have created with their toil and sweat, on weapons. Is it possible that Taiwan has so much money that it does not know how to spend it? No at all. Taiwan's six-year construction plan has had to be curtailed repeatedly owing to a shortage of capital.

Then why do the Taiwan authorities purchase large amounts of weapons? In my opinion, the Taiwan authorities have the following three main reasons for doing so:

First, the purchases are intended to coordinate the Taiwan authorities' pragmatic diplomacy and silver-bullet diplomacy, and—in a way that caters to the United States' arms merchants' need to make their arms proliferate around the world—to maintain, consolidate, and develop their substantive relations with the United States and other countries having no diplomatic relations with Taiwan and to expand their space of existence in the world.

Second, the Taiwan authorities want to find a pretext for obstructing cross-strait relations and rejecting the establishment of postal, commercial, and shipping links, as well as peaceful reunification with the mainland; and to create the public opinion they need to oppress [ya zhi] the people on Taiwan and dampen the Taiwan's mainland craze.

Third, the Taiwan authorities want to build up their strength to continue the standoff situation between the mainland and Taiwan and to maintain the present state of division and separate rule—a situation characterized by no reunification and no independence.

Moreover, Taiwan's military authorities can also benefit from the purchase of foreign-made weapons. One conspicuous example was the death of a military officer who was involved in arms purchasing—a case which shocked people inside and outside Taiwan.



**Presidential Office Dissatisfied With PRC**

*OW1309082094 Taipei CNA in English 0751 GMT  
13 Sep 94*

[By Y.C. Tsai]

[Text] Taipei, Sept. 13 (CNA)—The Presidential Office on Tuesday [13 September] expressed strong dissatisfaction over Mainland China's political interference in sports, saying the Beijing move will adversely affect the development of ties across the Taiwan Strait.

Chang Ping-nan, presidential press secretary, made the remarks at a regular news conference in reaction to a statement issued Monday by the Olympic Council of Asia (OCA), which said no political figure will be invited to or accommodated at the XII Asian Games scheduled to be held in Hiroshima Oct. 2-16, except those from the host country.

The OCA statement was made to end the diplomatic row that erupted among Japan, mainland China and Taiwan after OCA President Ahmad al-Fahad al-Sabah invited President Li Teng-hui to the Asiad opening ceremony.

Taipei announced last Wednesday that President Li would attend the Hiroshima Games. The Japanese Government has since been under strong pressure from Beijing to ban Li from entering its territory.

So far, Chang said, the president's visit plan to the Asian Games has not changed and travel arrangements are still underway.

Whether the president will attend the opening of the Asian Olympics was the sole topic at the news conference.

Chang quoted President Li as saying that the OCA invited the president to the Asian Games as a gesture to thank him for his long-term efforts in promoting sports and his firm support of the Olympic spirit.

Stressing the invitation has nothing to do with politics and nobody has the right to politicize it, Chang called on Beijing to separate sports from politics so that various cross-strait exchanges can be strengthened.

The whole matter also emphasizes the difficult circumstances faced by Taiwan, he noted.

Worrying that the controversy involving the Asian Games might touch off large-scale anti-Japanese sentiment in Taiwan, a number of Japanese media groups sent their reporters stationed in Hong Kong to the presidential news conference.

Chang said that whether President Li will go to Hiroshima will not affect the relationship between Taiwan and Japan. He, however, conceded that Taiwan residents' ill feeling against Japan seems unavoidable.

Meanwhile, the press secretary neither confirmed nor denied reports that President Li has received an ID card from the OCA, saying he has yet to check up on the matter.

He also declined to comment on whether the president would instead attend the Asian Outlook Forum scheduled for Oct. 28 in Tokyo if the planned trip to the Asiad opening in Hiroshima becomes impossible.

**Taipei Press Blames Japan for OCA Decision**

*OW1309061894 Tokyo KYODO in English 0553 GMT  
13 Sep 94*

[Text] Taipei, Sept. 13 KYODO—Taiwan's two largest dailies on Tuesday [13 September] ran as their top stories the decision by the Olympic Council of Asia (OCA) Monday not to invite political figures to the Asian games in Hiroshima, and blamed Japan for "toadyism" in bringing about the OCA's decision.

The CHINA TIMES [CHUNG KUO SHIH PAO] charged that Japan and China worked in concert to have the invitation to Taiwan President Li Teng-hui withdrawn. Li had been invited by OCA President Ahmad al-Fahd to attend the opening ceremonies of the Asian Games on Oct. 2, but this has been opposed by China.

"As an economic power and host country (of the games), Japan appealed to the OCA" to have the invitation rescinded. The CHINA TIMES wrote in a dispatch from Tokyo.

"Since establishing relations with Beijing (in 1972), Japan has only looked at the Chinese mainland and does not even glance at tiny Taiwan, for the sake of a national character that demands only the profits from toadyism," the daily wrote.

Meanwhile, the UNITED DAILY NEWS [LIEN HO PAO], also reporting from Tokyo, charged the development resulted from "Japan's way of performing in the background and drawing a curtain on the issue," adding that Taiwan once again lost out in its dealings with Japan.

In Tokyo, the representative of Taiwan's economic and cultural office, Lin Chin-ching, said he is not able to comment on the OCA's decision since he had not yet received any notification from Taipei and because it was unclear what the term "political figures" means.

He also said it is not clear how the OCA's decision might affect Li's possible visit to Japan.

**Olympic Official Says Li Intends To Visit Japan**

*OW1209153894 Taipei CNA in English 1343 GMT  
12 Sep 94*

[By Bear Lee]

[Text] Taipei, Sept. 12 (CNA)—President Li Teng-hui said Monday [12 September] that his invitation from

Olympic Council of Asia [OCA] President Ahmad al-Fahad al-Sabah to attend next month's Hiroshima Asian games has nothing to do with politics.

In an interview with a local paper, Li said Al-Fahad al-Sabah stated clearly in the invitation that "as a gesture to thank me for my long-term efforts in promoting sports and my firm support for the Olympic spirit, he would like to invite me and my wife to the games in his capacity as OCA president."

"It has nothing to do with politics and nobody has the right to politicize it," Li was quoted by the paper as saying.

OCA rules state that no OCA member's delegates, staff or athletes should be refused the right to take part in OCA-sponsored events because of racial, religious or political reasons, nor rejected entry into cities hosting the Asian games or OCA meetings.

The ROC Government announced last Wednesday that President Li would attend the Hiroshima games, which begin Oct. 3. The Japanese Government has since been under strong pressure from Beijing to ban Li from entering its territory.

Meanwhile, the Foreign Affairs Ministry on Monday refused to comment on a foreign wire-service report that the OCA has decided not to invite political figures from countries other than Japan to the event.

Chang Feng-hsu, chairman of the Chinese Taipei Olympic Committee, said, however, that the ban on political figures would apply to the next Asian games, and would not change Li's plans.

Rock Leng, the Foreign Ministry spokesman, refused to comment on the story, and said a final decision on Li's trip will come from the presidential office.

#### More on Attendance

*HK1209115494 Hong Kong AFP in English 1104 GMT 12 Sep 94*

[Text] Taipei, September 12 (AFP)—President Lee Teng-hui will go ahead with a controversial visit to the Asian Games next month, despite a decision by the Olympic Council of Asia [OCA] not to invite politicians, Taiwan's national Olympic committee said Monday [12 September]. "The president has received a formal invitation from the head of the Olympic Council of Asia, and the necessary procedures will be continued," national Olympic committee chairman Chang Feng-shu said. He said the OCA invitation was issued to President Lee Teng-hui by OCA President Sheikh Ahmad al-Fahad directly, and Lee was invited to attend the Asiad opening on October 2 as a guest of honor.

The OCA announced Monday that in the interests of "unity and solidarity of the Olympic and sports families" it had decided no "political figures" would be invited to the event. China has protested strongly at the

invitation and there have been fears of a boycott of the Games by the Asian sports superpower.

#### Lawmaker Pledges To Launch Boycott Against Japan

*OW1209164194 Taipei CNA in English 1401 GMT 12 Sep 94*

[By Benjamin Yeh]

[Text] Taipei, Sept. 12 (CNA)—An opposition lawmaker on Monday [12 September] pledged to launch a nationwide campaign to boycott Japan in response to the Olympic Council of Asia's [OCA] statement that President Li Teng-hui will not be invited to Japan to attend the opening of the Asian games, which begin in Hiroshima on Oct. 2.

The OCA issued a statement on Monday saying that "in continuation of its efforts to ensure the success of the Asian games in Hiroshima as a true manifestation of world peace and Asian harmony, the OCA... has decided that no political figure will be invited to or accommodated at the XII Asian games."

The OCA move was made to end the diplomatic row that erupted between and among Japan, Mainland China and Taiwan after OCA President Ahmad al-Fahad al-Sabah invited Li to the games.

Parris Chang, a legislator of the Democratic Progressive Party, Taiwan's leading opposition party, told a group of Japanese reporters that the OCA move came as a result of pressure on Japan from Beijing, which had threatened to boycott the games unless the invitation was withdrawn.

"The withdrawal of the invitation is a heavy blow and an insult to all people in Taiwan," he said.

Chang said he is planning to launch a nationwide boycott against Japan, asking local people not to buy Japanese goods and not to travel to Japan.

The trade gap between Taiwan and Japan amounted to a record U.S.\$14.2 billion in favor of Japan in 1993, and the total is expected to top U.S.\$15 billion this year.

#### President Li Receives Head of Costa Rican Group

*OW1209180194 Taipei CNA in English 1350 GMT 12 Sep 94*

[By Flor Wang]

[Text] Taipei, Sept. 12 (CNA)—President Li Teng-hui on Monday [12 September] said he would warmly welcome a visit by Costa Rican President Jose Maria Figueres so that ties between the two countries can be further strengthened.

Li made the remarks when meeting with Alberto Canas Escalante, president of Costa Rica's national Legislative Assembly, and his wife.

Li thanked Canas for visiting Taiwan and for the warm welcome he received in May while in Costa Rica to attend the inauguration of Figueres. He also expressed the hope that the two countries can set up direct airlinks.

The establishment of direct airlinks would greatly help boost mutual understanding and lure more Taiwan investments to Costa Rica, Li said.

Echoing Li's view, Canas promised the full support of Costa Rican parliamentarians for such a pact and also expressed the hope that President Figueres could soon visit the ROC [Republic of China].

#### **International Ombudsman Institute Accepts Taipei**

OW1209180494 Taipei CNA in English 1353 GMT  
12 Sep 94

[Text] Taipei, Sept. 12 (CNA)—The International Ombudsman Institute (IOI) has granted full membership to the Republic of China, the Control Yuan, Taiwan's highest watchdog body, said Monday [12 September].

The IOI has also decided to hold this year's annual meeting in Taipei from Sept. 21-24.

Representatives from 23 member countries, including Canada, the United States, the Netherlands, Australia, and New Zealand, will participate in the event.

President Li Teng-hui will deliver a keynote speech, and Control Yuan member Huang Yueh-chin will present a report on the role the Control Yuan plays in the country.

Topics to be discussed during the meeting will include the influence of ombudsman on social and political morals, the exercise of ombudsman rights throughout the world, as well as relations between the ombudsman system and human rights.

#### **Economic, Trade Teams To Deploy to 5 Nations**

OW1209113994 Taipei CNA in English 0840 GMT  
12 Sep 94

[By Sofia Wu]

[Text] Taipei, Sept. 12 (CNA)—The Republic of China [ROC] will send economic and trade peace corps abroad beginning late this year to help other countries develop their economy, government sources said Monday [11 September].

According to a preliminary plan, the source said, Taiwan will form five such teams to work in Vietnam, Indonesia, The Philippines, Paraguay and South Africa.

The International Economic Cooperation Development Fund (IECDF), which was founded by the ROC Government in 1989 to extend economic aid to needy countries, will be responsible for organizing the peace corps.

IECDF Executive Secretary Chou Yen said the fund has reached agreement with Vietnam on the dispatch of a Taiwan Peace Corps to the Indochinese country. "We are also discussing technical details with the four other countries," Chou noted.

The Peace Corps, to be patterned after those formed by developed countries to assist third world countries in economic development, will help disseminate Taiwan's experience in export promotion and small and medium business management to countries friendly toward Taiwan no matter whether they have diplomatic ties with the ROC or not, Chou explained.

"We believe Peace Corps work will help reinforce relations between Taiwan and the recipient countries," Chou said.

The IECDF will begin to recruit a total of 75 Peace Corps workers later this month to work in the above-mentioned five countries. "The first 15-member team is expected to leave for Vietnam in late December," Chou said.

Prospective applicants must have graduated from universities or graduate schools. They will receive intensive job training before being sent abroad.

#### **Small Enterprises Remain 'Backbone' of Economy**

OW1209163994 Taipei CNA in English 1346 GMT  
12 Sep 94

[By Benjamin Yeh]

[Text] Taipei, Sept. 12 (CNA)—Small enterprises remain the backbone of the Taiwan economy, according to a small-business white paper due to be released in October.

There were 901,768 small enterprises in Taiwan as of the end of last year, up nearly 30,000 from 1992, the white paper says. The total accounted for 96.49 percent of all enterprises.

The ratio is relatively high, as compared with 60 percent in Japan and 20 percent in the United States and Britain.

Although the definition of a small enterprise varies from country to country, a small enterprise here is defined as one that employs fewer than 100 workers.

The white paper says that small businesses as a whole offered 78.65 percent of job opportunities last year, an increase of 1.27 percent over 1992.

On average, each small business had 4.51 employees in 1993. The construction industry led other small-business lines in employing an average of 15.44 people, while small manufacturers employed an average of 10.84 people.



## Hong Kong

### SAR Panel Discusses Future Cultural Issues

OW1209165494 Beijing XINHUA in English 1534  
GMT 12 Sep 94

[Text] Beijing, September 12 (XINHUA)—The fifth meeting of the cultural affairs panel of the Hong Kong Special Administrative Region (SAR) Preparatory Committee, under the Chinese National People's Congress, closed here today.

The two-day meeting discussed the handling during the transition period of the names, emblems and holidays of Hong Kong public organs in 1997, arrangements for stamps and the basic principles of the education of Hong Kong citizens.

On the names and emblems of Hong Kong public organs, the panel held:

- Most of the names and emblems, so long as they are not tinged with colonialism, may continue to be used after 1997.
- The SAR Preparatory Committee should make arrangements at an early date for the names and emblems of the SAR government organs.
- The names and emblems with a colonialist tinge in public organs should be abolished in principle. The specific ways of implementing this will be worked out by the SAR government.
- Unofficial organs, taking the new situation and spirit into consideration, should settle by themselves the issue of their names and emblems.

On the public holidays in Hong Kong after 1997, the panel agreed that the existing 17 days of Hong Kong public holidays should be retained, in accordance with the regulations set out in the Sino-British joint declaration and the Hong Kong Basic Law, namely the maintaining of the current social and economic system, and lifestyle of Hong Kong.

But holidays smacking of colonialism, such as the birthday of the British queen, must be abolished, they recommended.

Meanwhile, according to the Basic Law, "the resolution on the National Day of the People's Republic of China" will be applicable in the Hong Kong Special Administrative Region from July 1, 1997. In regard to this, the members of the panel proposed that the transitional arrangements for public holidays in 1997 may consider adding July 1 (the birthday of the SAR) and October 1 (China's National Day) to the list of public holidays.

The public holidays and the arrangements for them will be confirmed by the SAR through legislature.

On the issue of the transitional arrangements for stamps, the panel, in view of the stamps in current usage having

the portrait of the British queen or symbols of the British royal house, and the postmarks used having the symbol of a crown, held that the issuing of these stamps should be halted and the postmark should be changed on June 30, 1997.

The members of the panel proposed that, in order not to inconvenience Hong Kong citizens or hinder the Hong Kong postal service, a set of neutral stamps without any hint of colonialism be designed and issued before July 1, 1997.

Meanwhile, new postmarks without the crown design should be produced according to the actual demand and distributed to every post office at the proper time. The British Hong Kong Government should co-operate with the SAR to this end, the panel said.

The panel also suggested that a set of special souvenir stamps can be designed and printed in advance to commemorate the resumption of China's sovereignty over Hong Kong, and distributed formally on July 1, 1997.

As for the basic principle of education in civics, the group held that such education in Hong Kong has always been backward and its contents lack the concept and consciousness of nationhood.

With the resumption of China's sovereignty over Hong Kong and the adoption of the "one country, two systems" policy in the region, more importance should be attached to education in civics.

The main purpose of such education should include the establishment of the concept and consciousness of nationhood as well as the understanding of the Basic Law and the "one country, two systems" policy by students.

The members suggested that Hong Kong's primary and middle schools should study more Chinese history and geography.

At the current stage, education in civics there should focus on enhancing the study of the Basic Law and increasing the proportion in curriculums of Chinese history and geography.

The panel also discussed such issues as honorary titles and the recognition of educational records.

### Official Urges Cooperation From Britain

HK1209145794 Hong Kong WEN WEI PO in Chinese  
11 Sep 94 p A13

[Report: "Zhang Junsheng, Deputy Director of XINHUA Hong Kong Branch, Hopes British Side Will Create Fewer Obstacles to Settlement of Hong Kong Issue"]

[Text] Zhang Junsheng, XINHUA Hong Kong deputy director, yesterday hoped the British side would create fewer obstacles to the settlement of Hong Kong issues

and would return to the course of cooperation. If they keep on creating obstacles, he said, historians will note the problems they leave when they withdraw from Hong Kong in the last chapter of the "Sunset Empire." He quoted Deng Xiaoping as saying that bringing about a settlement of Hong Kong issues is also in Britain's interest. This means Britain will completely put an end to its inglorious history of colonial rule and that the present generation of British people will be able to cast off the burden left by their ancestors who practiced colonialism.

Zhang made the statement yesterday when he delivered a speech at the inaugural meeting of the "preparatory committee of Hong Kong scientific and technological circles for the celebration of national day." He said that many Western countries except for Britain have basically adjusted their relations with China. There had been very favorable conditions for Sino-British cooperation, but Britain is lagging behind other Western countries because of its erroneous policy on the Hong Kong issue.

The Chinese and British foreign ministers are due to meet in late September when the UN assembly is in session. At the British side's request, the two sides will hold talks for a fairly long time. Whether the talks will yield results depends on whether the British side changes its current erroneous policy, Zhang said.

Zhang pointed out that without cooperation from the British side, the Chinese side will restore its sovereignty over Hong Kong anyway and will set up the Hong Kong special administrative region in accordance with the Basic Law and the relevant regulations adopted by the National People's Congress. China will be fully capable of maintaining Hong Kong's prosperity and stability.

As described in the "Sunset Empire," Britain left a lot of problems when leaving each colony. If Britain keeps on creating obstacles with respect to Hong Kong issues, historians will take note of the problems it left over in Hong Kong, Zhang continued.

Zhang added that if the British are cooperative and create less obstacles when leaving Hong Kong, historians will describe them in a positive manner in the last chapter of the "Sunset Empire."

#### Official Warns Against Revision of Local Law

HK1209151794 Hong Kong WEN WEI PO in Chinese  
10 Sep 94 p A11

[Report: "Zhang Junsheng Says Hong Kong Laws Revised by British Hong Kong Authorities May Be Amended After 1997"]

[Text] Speaking on the question of the British Hong Kong Government's continuous revision of original laws in recent years, Zhang Junsheng, deputy director of XINHUA Hong Kong Branch, said yesterday that if the British Hong Kong Government makes considerable changes to the original laws, if no previous consultations

are made with the Chinese side on these changes, and if they do not conform to the Basic Law and are nonconducive to guaranteeing the prosperity and stability of the Hong Kong community, we will change the laws they have revised.

Zhang Junsheng made the above remarks at a luncheon held by the East Kowloon Preparatory Committee for National Day Celebrations at the Miramar Hotel in Tsimshatsui.

On the same occasion, Zhang Junsheng also said that the Chinese side still hopes that the British side will return to the track of cooperation and will generate the minimum sincerity for cooperation.

Zhang Junsheng stressed: Now, there are only 1,026 days left of British rule over Hong Kong. At this moment, the British side should seriously implement the Sino-British Joint Declaration and improve Sino-British cooperation to guarantee the stability and prosperity of Hong Kong in the remaining years of the transition period and its smooth transition in the future. This is in the interests of Hong Kong residents and is also in the interests of Britain and China. In fact, if they do this, it will also be something good for Britain as it can end the history of its inglorious colonial rule in a good way.

Zhang Junsheng said that he hopes the British side will not make still more trouble. He said that it is the British side which has created so much trouble in the past, which had hindered cooperation. Despite this, the Chinese side still hopes that the British side will return to the track of cooperation and will create no more trouble and difficulties in the remaining years of the transition period. He said that many matters could have been resolved with ease if the British side had adopted a cooperative attitude.

Zhang Junsheng gave an example, saying: On the question of the political system, it was the British side that made the "through train arrangement" impossible, and so the Chinese side "came up with its own arrangement." It is also the British side which has delayed the financial arrangements for the new airport for so long by not keeping to the Memorandum of Understanding [MOU]. According to the MOU, it is the British side's responsibility to build the airport. But they have not been able to produce a financial proposal in line with the MOU. As a result, they have produced one proposal after another. The talks on the fourth proposal could have been concluded if the British side had not complicated the matter by adding several other issues. He also pointed out that it is completely meaningless for the British side to unilaterally publish advertisements inviting tenders for the development of property along the airport railroad given the fact that the Sino-British Airport Committee has not reached agreement on the overall financial arrangements and the Sino-British Land Committee has not approved plans for the development of land along the airport railroad.

**Legislators Worried About Localization of Laws***HK1309061494 Hong Kong HONGKONG STANDARD  
in English 13 Sep 94 p 4*

[By Francis Moriarty]

[Text] Legislators, worried by the fast pace of the calendar but the slow pace of Sino-British negotiations, are stepping up pressure for quicker progress in the Joint Liaison Group (JLG).

The administration sought yesterday to assure lawmakers that work was on track. But the effort foundered when it was admitted that "nearly all of the statute book" remains to be localised.

Members of the Constitutional Development Panel repeatedly pressed the government for regular reports of what laws, enactments and treaties had been dealt with, so they could keep track of any progress, or lack of it.

Liberal Party leader Allen Lee pressed for details of "how much has been done (and) how much is left". But while the government agreed to provide some additional information, it said revealing details was constrained by the confidentiality of negotiations.

There are barely 1,000 days left before the Chinese takeover, yet 1,000 items of subsidiary legislation and 600 ordinances need to be amended in line with the Basic Law and passed by the legislature in order to survive the transition.

Legislators are also concerned that about 180 of an estimated 300 United Kingdom enactments still await localisation. There are also JLG discussions on the right of abode, travel documents, visa agreements, treaties and other international agreements covering vital areas of commercial and legal relations. Many of these will lapse if no action is taken before 30 June 1997.

Much of the JLG's work has been stalled amid deteriorating Sino-British relations.

David Edwards, the government's law officer (international law), told the panel the government had a "business plan" on how to deal with the backlog, but declined to reveal what it was when pressed by independent legislator Emily Lau.

Promising that Legco [Legislative Council] would not suddenly find itself with hundreds of laws to rubber-stamp, Mr Edwards said: "We are proceeding in an orderly fashion and do not require additional resources (to speed up the work)".

He said the council would probably be presented with eight or nine bills with schedules attached. While most items would need minor changes in wording, none would be substantive.

"The administration would like to see an orderly presentation of this to the council ... leaving the statute book in good order on 1 July 1997."

Legislator Cheung Man-kwong warned however that the government should alter the system to avoid a repetition of the controversy over the Court of Final Appeal, where China and Britain agreed on the court's composition, but Legco subsequently rejected the deal.

The United Democrats legislator, noting there had only been agreement on 39 items since November 1992, said the process could be quickened by first bringing laws to Legco for approval of amendments, and then bringing them to China for its approval.

Mr Cheung said that under the present system, if approval was reached with China on a law but it was then changed by Legco, it would have to be referred back to China.

However, Mr Edwards rebutted the suggestion, saying other legislators would be sure to criticise the government for not having gone to China first.

**Legislators To Lobby UN Human Rights Conference***HK1309060694 Hong Kong HONGKONG STANDARD  
in English 13 Sep 94 p 4*

[By Francis Moriarty]

[Text] A key Legislative Council panel has decided to challenge the government's view of human rights by sending its own delegation to a United Nations conference on Hong Kong.

The move—the first of its kind—also reflects lawmakers' concerns that China might not be obliged to make annual reports to the UN on the rights situation in Hong Kong after 1997, as Britain does now.

The Constitutional Development Panel—unhappy with the government's April report to the UN on the territory's human rights situation—voted yesterday to send up to three members to lobby the meeting of the UN Committee on Economic, Social and Cultural Rights in Geneva in November.

Their presence will embarrass Britain, which officially represents the colony.

One goal of the trip is to clarify China's future responsibilities to the UN for reporting on Human rights in the territory.

Britain, as current sovereign, is responsible for filing periodic reports under the International Covenant on Civil and Political Rights, as well as the Covenant on Economic Social and Cultural Rights.

Britain is a signatory to the conventions, but China is not.

Article 39 of the Joint Declaration says provisions of the two agreements continue to apply to Hong Kong after 1997. But while the administration maintains, according



to its interpretation, that Beijing would inherit responsibility for filing reports, China has indicated that it will not.

Legislators want to find out if the administration's interpretation is right.

The six-day trip will be from 19-25 November. The legislators will not have formal status, but will have an opportunity to make a presentation at a special meeting for nongovernmental organisations on 21 November.

Approval to send the delegation, and a decision on which legislators to send, will be made at Friday's House Committee meeting.

### Beijing To Appoint More Advisers

HK1109073994 Hong Kong SOUTH CHINA SUNDAY MORNING POST in English 11 Sep 94 pp 1, 2

[By Queenie Wang]

[Text] China will take a major step towards building its own grassroots network in the territory by appointing 200 more district affairs advisers shortly after next Sunday's district board elections.

A senior official from Xinhua (New China News Agency) told the Sunday Morning Post that preparations were well advanced, and some of its list of prospective advisers had already been approached. But he revealed that few incumbent district board members would be appointed, compared with the first batch of advisers announced last March.

Electoral experts predicted Beijing's move was designed to boost its influence among those elected next Sunday, and combat some of the effects of Governor Chris Patten's political reforms.

Former appointed district board members, who have lost their influence after Mr Patten's abolition of all appointed seats, are expected to make up a major part of the new batch. But no members of the Democratic Party—to be formed by next month's merger of the United Democrats and Meeting Point—are likely to be appointed this time, unlike the first batch, which included two members of Meeting Point. Instead district activists, who have close ties with local leftists, are expected to be rewarded.

Cheung For-tai, chairman of Ta Kwu Ling Rural Committee, in the far northwest of the New Territories, admitted he had received an informal invitation from local Xinhua officials to join the new batch of advisers, but said the date of appointment had yet to be confirmed.

Sheung Shui District Board member Chong Kam-ning, chairman of the Association of Primary School Principals' in North District, Cheung Wai-chung, former North District Board chairman Pang Hang-yin, and Central and Western District board member Stephen

Chan Chit-kwai are also on the list of potential nominees. However not all will necessarily accept: both Mr Pang and Mr Chan said they would reject any offer of appointment. Mr Pang, who turned down an offer to join Xinhua's first batch of advisers, said he preferred to spend his time doing something he enjoyed. Mr Chan, who is standing in this Sunday's polls, said he valued elections more than appointments, and would reject any offer, even if he failed to win reelection to the district board.

The appointment ceremony is expected to be held next month, after the local Xinhua office completes its work on the ceremony to mark the 45th anniversary of the founding of the People's Republic.

Electoral expert Dr Stephen Tang Lung-wai of the Chinese University said he believed the appointments by Beijing, so soon after the district board elections, would send a strong message to Government House that China had already "taken over administration at the district level for the last part of the transitional period".

He said the new appointments would allow Beijing to retain its control over the district boards.

### Sub-Group Announces Public Holidays After 1997

HK1209034794 Hong Kong SOUTH CHINA MORNING POST in English 12 Sep 94 p 3

[By Linda Choy in Beijing]

[Text] Hong Kong people will continue to enjoy 17 annual public holidays after 1997 but will no longer celebrate the Queen's birthday or Liberation Day, according to a Preliminary Working Committee sub-group yesterday.

To make up for this, July 1—the day Hong Kong returns to Chinese sovereignty—will be added to the holiday list. The day will be marked by large-scale celebrations and the issuance of new stamps designed and printed by China's Post and Telecommunications Bureau. Chinese National Day October 1, and the following day will also be public holidays.

At present, people get days off on the Queen's birthday, June 11, and the following Monday. Liberation Day, the last Monday in August, and the preceding Saturday are also holidays.

Hong Kong co-convenor of the PWC cultural sub-group, Raymond Wu Wai-yung, said there was no need to alter other existing holidays, such as Christmas and Easter.

The sub-group also suggested that the future government recognise university degrees awarded by mainland universities.

The group decided that public-funded schools and organisations could keep their names, despite the fact that they could be reminiscent of British rule. But certain government departments, like the Royal Hong Kong

Police Force, would have to alter their name. Dr Wu said the names of streets should not be changed.

### **Mainland Police Return Criminal Suspect**

*OW1209180394 Beijing XINHUA in English 1432  
GMT 12 Sep 94*

[Text] Hong Kong, September 12 (XINHUA)—A Hong Kong male criminal suspect was handed back to the territory today by the mainland police, thus bringing to 12 the total of such people returned from the Chinese mainland.

The hand-over was held this afternoon at the Huang Gang border control office in Shenzhen, which borders on the territory's Lok Ma Chau border crossing point.

The suspect was allegedly involved in the killing of a 33-year-old local woman on April 22 this year and was believed to have fled to the mainland immediately after the killing.

With the exchange of information through Interpol channel, the suspect was arrested in late August in Kaiping city, Guangdong Province.

Analysts here point out that with the increasing cooperation between the Hong Kong Police and their mainland counterparts, criminals on either side find it increasingly hard to use the opposite side as a shelter for escaping punishment.

### **Education Foundation Delegation Visits China**

#### **Meets CPPCC Chairman**

*OW0909143894 Beijing XINHUA in English 1353  
GMT 9 Sep 94*

[Text] Beijing, September 9 (XINHUA)—Li Ruihuan, chairman of the Chinese People's Political Consultative Conference (CPPCC) National Committee, met here today with a delegation from Hong Kong's Pei Hua Education Foundation.

Li praised the foundation for its efforts in personnel training for the mainland.

The Hong Kong delegation is led by Pei Hua's Chairman Lee Shau Kee, who is also an advisor to the Chinese Government on Hong Kong affairs, and Fok Ying Tung, an advisor to the foundation and deputy director of the Preparatory Work Subcommittee for the Preparatory Committee of the Hong Kong Special Administrative Region.

Li noted the Pei Hua Foundation has trained a large number of personnel for the mainland over the past decade and some of them are playing important roles.

He added that people who have been trained by Pei Hua include officials from China's minority-nationality areas.

Li noted that China, which is now undertaking massive construction, is in urgent need of trained personnel in all fields.

Lee Shau Kee expressed the hope that Pei Hua could get more support and help from the mainland.

After the meeting, Li hosted a dinner in honor of the guests.

Wang Zhaoguo, vice-chairman of the CPPCC National Committee and head of the United Front Work Department of the Central Committee of the Communist Party of China, was present at the meeting and dinner.

Earlier today Vice-Premier Li lanqing also met with the delegation.

#### **Meets Vice Premier Li Lanqing**

*OW0909115694 Beijing XINHUA in English 1129  
GMT 9 Sep 94*

[Text] Beijing, September 9 (XINHUA)—Chinese Vice-Premier Li Lanqing met with a delegation from the Hong Kong Pei Hua Education Foundation here this afternoon.

The delegation is led by Lee Shau Kee, chairman of the foundation and also an advisor on Hong Kong affairs, and Henry Ying Tung Fok, advisor of the foundation and deputy director of the Preparatory Work Subcommittee for the Preparatory Committee of the Hong Kong Special Administrative Region.

The 28-member delegation arrived here yesterday on a four-day visit to Beijing at the invitation of the United Front Work Department of the Communist Party of China.

### **Political Affairs Group Holds Meeting in Beijing**

*SK1009084894 Beijing XINHUA Domestic Service in  
Chinese 2048 GMT 8 Sep 94*

[By reporter Fang Jin (2455 3866)]

[Text] Beijing, 8 September (XINHUA)—After a two-day session, on 8 September the 10th meeting of the Special Political Affairs Group under the Preparatory Committee of the Hong Kong Special Administrative Region [SAR] Preliminary Working Committee concluded in Beijing. The meeting discussed the preparatory organization of the committee in charge of organizing the first government of the Hong Kong SAR, the recommendation of the first administrative officials for the government, the preparatory organization of the first administrative council, the establishment of organs under the first government of the Hong Kong SAR, the recommendation of major officials to the first government, and the establishment of legal and consultative organizations under the government. Initial suggestions were also put forward at the meeting.

The meeting's participants contended that according to the regulations of the "decision adopted by the National People's Congress on the methods to organize the first government and legislative council of the Hong Kong SAR," the Preparatory Committee under the Hong Kong SAR Preliminary Working Committee should prepare to organize the committee in charge of recommending the first administrative officials for the government. The method of recommending members to the committee may be decided through consultation by the Preparatory Committee in line with the principles in which candidates to be members of the committee should have extensive representation. They must be permanent residents of Hong Kong, support the Basic Law of Hong Kong and the principle of "one country, two systems," and cherish the country and Hong Kong. They should join the committee in a personal capacity, and not represent their own community or circles.

The qualification of candidates for administrative officials has been clearly defined by the Basic Law. Candidates for administrative officials may be recommended through consultation or be elected after nomination. The appointment of administrative officials should be accomplished in the fourth quarter of 1996.

In order to ensure the stable transition of Hong Kong and the smooth establishment and operation of the first government of the Hong Kong SAR, generally speaking all existing establishments in the British Government of Hong Kong may remain unchanged except for some necessary changes caused by the regulations of the Basic Law or by the political realization of the country in restoring its performance of sovereign rights. Major functionaries of the government of the Hong Kong SAR will be state functionaries at the department level or analogous to departments. In line with the regulations of the Basic Law, the appointment of these functionaries should be made through nominations given by the appointed administrative officials, and should be submitted to the central government for approval.

The administrative council is the establishment in charge of helping administrative officials make policy decisions. The composition of this council should be in conformity with the principle of regarding administration as the main guiding orientation, and having administration and legislation not only restrict each other but work in coordination. The council may not temporarily be composed of legislative members. Members of the council may hold concurrent posts as responsible personnel of important legal and consultative organizations for handling the suggestions raised by the committee's members. Members of this council should join the council in a personal capacity, and should not be representatives of political parties or electoral districts.

The system of establishing legal and consultative organizations will play a more important role in helping the government formulate or carry out policies and ensuring the enforcement of the structure of regarding administration as the main guiding orientation. The first government of the special administrative region should leave its existing legal organizations and consultative system untouched. All existing organizations may continue to exist. Except for reappointments made by administrative officials of responsible personnel for ten or more important organizations, responsible personnel and staffers of all aforementioned organizations may remain in office.

### British Foreign Secretary To Visit

HK1009082294 Hong Kong EASTERN EXPRESS in English 10 Sep 94 p 2

[By Rosemary Langford]

[Text] The British Foreign Secretary, Douglas Hurd, will discuss future strategy on Hong Kong with Governor Chris Patten when he arrives in the territory on Thursday [15 September] for a brief visit, a British Foreign Office official said yesterday. Hurd will be briefed on Patten's annual policy speech to be delivered on October 5, as well as a series of other matters, including the deadlock in Sino-British Joint Liaison Group (JLG) talks.

"We have come to the end of one phase of the Governor's time with the passage of the legislation regarding electoral reforms," the official said. "In October he will put forward the second part of his plan.

"They will be talking about the strategy prior to his (Hurd's) meeting with the Chinese Foreign Minister in New York and how to tackle the deadlock of the JLG."

Hurd will meet the Governor and prominent members of Hong Kong's business circles on Thursday, and will talk to legislators and Executive Council members on Friday morning and tour the airport site at Chek Lap Kok. Hurd will visit Thailand and Vietnam before coming to Hong Kong. He is due to sign a mutual legal assistance treaty in Bangkok on Monday to strengthen the exchange of information on criminal matters.

In Vietnam, Hurd plans to talk to the Vietnamese Premier and Foreign Minister over the repatriation of the remaining 24,500 Vietnamese boat people from Hong Kong by the end of next year. Hurd is also due to sign a financial agreement with the Vietnamese government worth 50m [million] (HK\$580m) [Hong Kong dollars] British pounds and a technical assistance deal worth 10m British pounds.



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